THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

August 17, 1946

POSTAL RATES UP?

AN EDITORIAL

Liquidation Of War Criminals

By Lin Wo-chiang

The Jacobi Case

By Celsius

Chefoo Suffers From Blockade

By William Ayers

RAID OR ROBBERY?

AN EDITORIAL

VOLUME 102 PRICE CNC$500 NUMBER 12

京滬線 NANKING-SHANGHAI LINE
TIME TABLE

54	52	2	4	6	58	8	10	車次 TRAIN NO.	53	51	3	5	1	57	7	9
4th Class	3rd Class	Tri. Exp.	1,2,3 Exp.	1,2 Exp.	4th Mixed	1,2,3 Night Exp.	1,2 Night Exp.	站名 STATIONS	4th Class	3rd Class	1,2,3 Exp.	1,2 Exp.	1,2 Tri. Exp.	4th Mixed	1,2,3 Night Exp.	1,2 Night Exp.
1.20	5.00	7.00	9.00	11.00	16.20	21.00	22.00	上海 SHANGHAI	13.25	17.30	15.50	19.20	22.30	4.50	5.35	6.20
2.43	6.51		10.06	12.15		22.34		D 北站 NORTH A	11.50	15.51	14.50	18.05			4.28	
3.34	7.54	8.41	10.47	12.58	19.51	23.32	0.11	D 崑山 KUNSHAN D	10.53	14.45	14.05	17.18	20.51	2.10	3.39	4.30
3.44	8.02	8.48	10.55	13.06	20.06	23.39	0.18	A 蘇州 SOOCHOW D	10.45	14.37	13.57	17.11	20.43	1.50	3.32	4.23
4.53	9.14	9.36	11.43	14.03	21.21	0.35	1.11	A 無錫 WUSIH D	8.52	13.28	13.09	16.17	19.55	0.10	2.39	3.30
4.59	9.20	9.42	11.50	14.09	21.31	0.42	1.17	D 無錫 WUSIH A	8.46	13.22	13.03	16.11	19.48	23.57	2.32	3.24
6.07	10.56	10.31	12.47	15.08	22.43	1.40	2.18	A 常州 CHANGCHOW D	7.38	11.45	12.13	15.10	19.01	22.45	1.42	2.35
6.30	11.07	10.41	12.57	15.18	23.03	1.50	2.28	D 常州 CHANGCHOW A	7.28	11.35	12.03	14.56	18.51	22.14	1.20	2.25
7.47	12.30		13.49	16.16	0.42	2.55	3.32	A 丹陽 TANYANG D	6.07	10.08	11.06	13.51		20.54	0.03	1.02
7.57	12.38		13.53	16.20	1.00	2.59	3.36	D 丹陽 TANYANG A	6.02	10.00	11.03	13.42		20.44	23.59	0.58
8.48	13.35	12.08	14.30	17.04	1.57	3.45	4.21	A 鎮江 CHINKIANG D	5.11	9.09	10.27	12.56	17.18	19.46	23.06	0.05
9.11	13.42	12.15	14.38	17.13	2.10	3.53	4.28	D 西站 WEST A	5.04	8.59	10.20	12.49	17.11	19.33	22.56	23.56
11.30	15.40	13.35	16.10	18.45	4.35	5.30	6.00	A 南京 NANKING D	2.50	7.00	9.00	11.00	15.50	17.00	21.00	22.00

FARE LIST

STATIONS 站名		Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI	上海							
KUNSHAN	崑山	52	2,800.	3,800.	1,400.	1,900.	700.	1,000.
SOOCHOW	蘇州	87	4,400.	5,400.	2,200.	2,700.	1,100.	1,400.
WUSIH	無錫	129	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGCHOW	常州	168	8,400.	10,100.	4,200.	5,100.	2,100.	2,600.
TANYANG	丹陽	213	10,400.	12,500.	5,200.	6,300.	2,600.	3,200.
CHINKIANG WEST	鎮江西站	243	11,600.	14,000.	5,800.	7,000.	2,900.	3,500.
NANKING	南京	312	14,800.	17,800.	7,400.	8,900.	3,700.	4,500.

滬杭線 SHANGHAI-HANGCHOW LINE
TIME TABLE

23	21	61	67	41	25	車次 TRAIN NO.	42	24	68	26	22	62
1,2,3 Exp.	West Lake Excur	2,3,4 Class	4th Mixed	2,3 Class	1,2,3 Exp.	站名 STATIONS	2,3 Class	1,2,3 Exp.	4th Mixed	1,2,3 Exp.	West Lake Exc.	2,3,4 Class
6.45	7.50	8.10		14.50	16.40	D 上海北站 SHANGHAI NORTH A	13.05	13.30		18.00	20.00	22.35
7.04	8.06	8.36	9.36	15.15	16.59	D 上海西站 SHANGHAI WEST D	12.47	13.14	16.55	17.45	19.46	22.16
7.47		9.38	11.12	16.17	17.51	A 松江 SUNGKIANG D	11.42	12.28	15.31	16.58		21.12
7.52		9.43	11.45	16.22	17.56	D 松江 SUNGKIANG A	11.37	12.23	15.21	16.53		21.07
9.00	9.50	11.14	13.53	17.53	19.20	A 嘉興 KASHING D	10.06	11.16	13.20	15.45	18.01	19.37
9.10	9.58	11.23	14.08	18.03	19.30	D 嘉興 KASHING A	9.56	11.03	12.58	15.35	17.51	19.27
9.45		12.06	15.05	18.48	20.04	D 峽石 YEHZAH D	9.10	10.30	12.08	15.03		18.46
10.16		12.51	16.04	19.33	20.35	A 長安鎮 CHANGAN-TSENG D	8.22	9.43	11.02	14.29		17.57
10.21		12.56	16.20	19.38	20.40	D 長安鎮 CHANGAN-TSENG A	8.17	9.38	10.52	14.24		17.52
11.25	11.45	14.10	18.25	20.50	21.35	A 杭州 HANGCHOW D	7.05	8.40	9.00	13.30	16.05	16.40

FARE LIST

STATIONS 站名		Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI	上海							
SUNGKIANG	松江	45	2,400.	3,400.	1,200.	1,700.	600.	900.
KASHING	嘉興	99	4,800.	5,800.	2,400.	2,900.	1,200.	1,500.
YEHZAH	峽石	126	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGANTSENG	長安鎮	151	7,600.	9,200.	3,800.	4,600.	1,900.	2,300.
HANGCHOW	杭州	190	9,200.	11,100.	4,600.	5,600.	2,300.	2,800.

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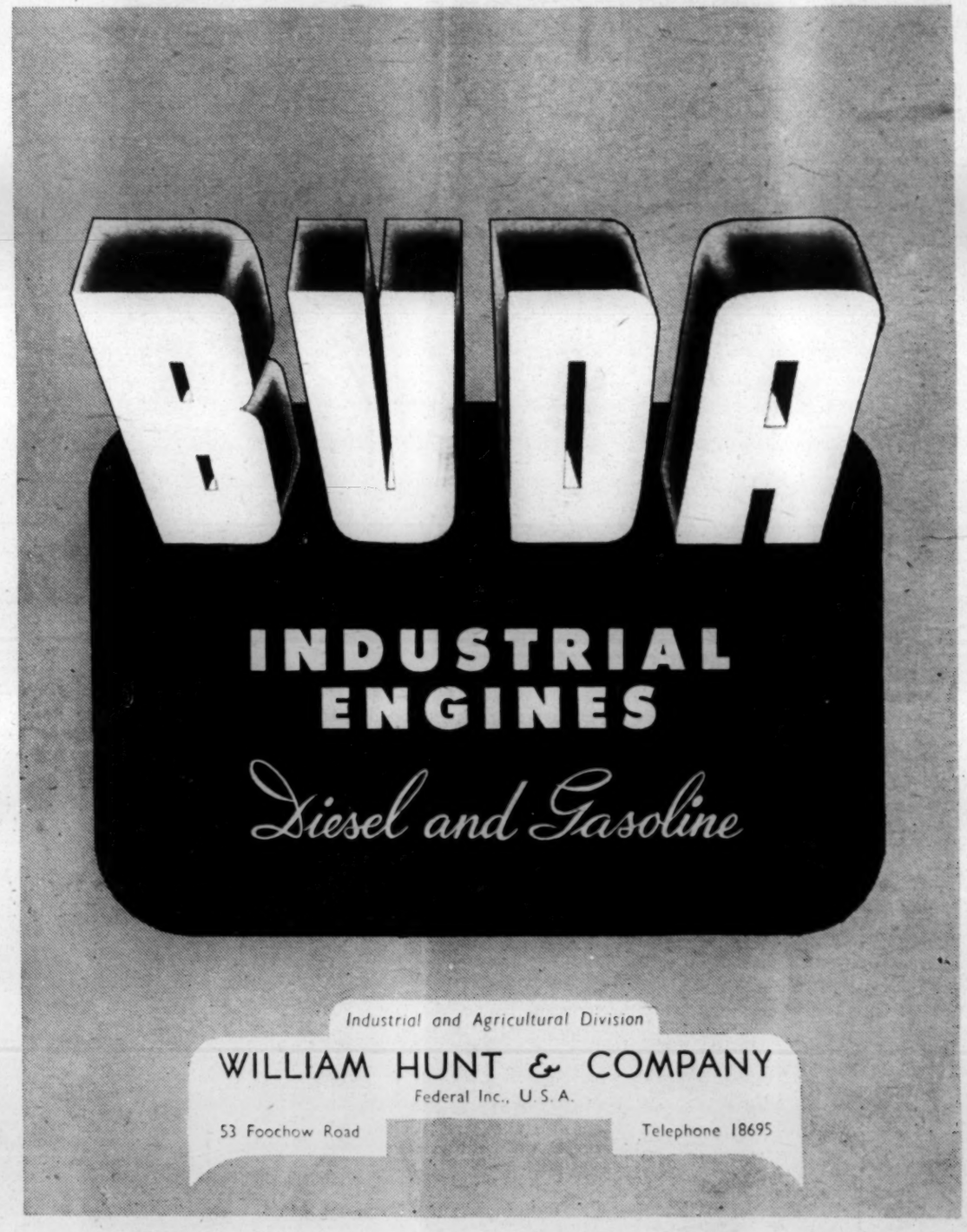
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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of **The China Weekly Review.**

Extermination

To The Editor:

I will appreciate your courtesy of publishing this Letter in your paper.

Madame Sun's statement has called forth widespread editorial comment in America, but few editors have answered the question: What is China to-day? Our own answer is quite clear. China is a country of 11.17 million square kilometers and 470 million people, who alone can give America full employment and full production and who will be the first line of defense after this period of uneasy peace. China will bring happiness to American homes and make them bleed less in the next war. Unfortunately she is now at a cross road where she may go right and may go nearly Red.

The New York Herald Tribune declared on July 24 that Chinese reactionaries are determined to exterminate the Chinese communists and wondered why. It seems that the editor always wonders why the General in New York Park wanted to shoot two million pigeons, immediately after his statue was brought back to life. Stop fooling, Mr. Editor; no Government can sit pretty with such a rabble around, bent on destroying human society. Believe me, the world will go to blazes, if old Cathay is let down at this juncture. A coalition government sounds final, but that, we fear, is the end of the beginning of World War III.

The editor again declared that the Reds have not destroyed anyone willing to co-operate in moderate reforms. The northerners are wondering if he is not indulging in leg pulling. If he is a stranger to such third degree methods as air trips, waggon trailing, horse riding and nail clipping, he does not have to ask a Gestapo or a Japanese Yamashita. If humanity is to survive, let's pray that God in His mercy will send salvation. Yet humans can always take comfort in the thought that time is cure of all evils. America is war weary, but don't think we are less so. Yet we live because we cannot help it, and die for the same reason.

China needs the tools to finish the job of extermination quickly for China and America. Provide the tools.

P. T. L.

Chengtu,
August 3, 1946.

Spiritual Need

To The Editor:

As I have consumed up all the dainties which are those splendid editorials and letters from the people in the issue of July 27, I am now feeding on the grass and the bark of trees which are the advertisements of different kinds on the covers and some inside pages, still I do not find a new issue of my Review being put on my desk. Three times a day I call at the porter's room to ask the old porter whether my Review has come or not. But to my surprise each time I got the negative answer. So I have become so anxious that I can no longer refrain from writing you this letter to inquire for the reason of this delay. Will you please send me the new issue at once so to gratify my dire need in spirit.

TSANG SIEN.

Soochow,
August 7, 1946.

Unity Is Life

To The Editor:

Since we won the victory the development of this country is vague.

The people of China are complaining wholeheartedly and petitioning the government to stop the civil war. The nation is distressed to know that more than 3,000,000, people have lost their homes, are scattered over territories north of Nanking, and subsist on grass instead of bread. In this point of view, it is the irony of fate that Chinese people who endured that eight long years of Japanese aggression, should continue to suffer and starve in war ridden surroundings at the present time.

Although the Nationalists and the Communists had further discussions, yet no concrete results have been obtained and no progress at all has been made recently. We are greatly worried about the future of China, the Country for which many millions sacrificed their lives in the struggle for victory over Japan. They died to give us peace; should we, the livings, abuse the fruits of that sacrifice by destroying our nation? Civil war brings not only calamity to the people but also will bring national suicide. In addition to involving territories within the boundries of the Republic, it will affect other nations and may become the seed of the "Third World War."

Awake! Fellow-countrymen! China stands at the cross-roads! Are we taking the road to destruction, or are we to unite in peacefully overcoming this most important crisis in the history of our nation? How long are we to allow chaos to grip our Homeland? All that is needed to bring peace in our time is a feeling of mutual trust, respect and tolerance between the two fighting factions in the peace conferences. If as individunls, we dissolve our hate and suspicions, replace evil passions with united public spirited-

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THE CHINA WEEKLY REVIEW

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FANG FU-AN, *Financial Editor* F. K. CHAO, *Business Manager*

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ness, then we surely will bring about the speedy settlement of political differences.

We sincerely desire that the two governments will take concrete measures to make an end of this prolonged slaughter, to reconcile their opposed ambitions for the good of the future of our nation. With the coming of civil peace will come an opportunity to follow the path of restoration and to revive and develop the culture, politics and trade of our country, thereby making China the greatest democracy in the world.

YOUNGMAN WU.

Shanghai,
August 10, 1946.

Greatest Liquidator?

To The Editor:

Since the publication in your Review of Dr. James B. Chang's articles on Hong Kong (CWR, May 11, June 29, July 20), the public here at last has come to realize, that China at least has a friend in you who would dare to convey the voice of the people and of God, that not necessarily totalitarianism is the only thing that poor Chinamen are destined to live under.

By the way, our friends who usually branded us reactionaries because we are not so sure that Comrade Stalin is as sacred and divine as our infallible leader, are also a little quiet here. Poor boys, many of them are so young and democratic that I wonder if they ever learn that the big boss in the Kremlin has probably "liquidated" more Communists than any other living leader of the world.

W. W. WU.

Hongkong,
July 25, 1946.

"..Never The Twain...?"

To The Editor:

In his well-informed article on "Munich Appeasement Policy Followed in Hongkong" (CWR, July 20, 1946), Dr. James B. Chang relates of the Hongkong Government's ban on the National Times, a Kuomintang organ originally edited by a Fan Chun-yuan, vice-minister of education and president of the Central University under Wang Ching-wei's bogus regime and now managed by a Chang Fu-sen.

All these seemingly fantastic stories related by Dr. Chang are possible because our good President Truman wishes to uphold a regime whose aim eventually means the destruction of Americanism.

According to the Confucian school of thought, the ancients were able, glorious and civilized. Even an ancient traitor was a better bargainer, regardless of his race and religion. Who says East and West never meet? Amen!

O. K. LI.

Hongkong-Kowloon,
July 27, 1946.

Trouble In Tokyo

To The Editor:

The notorious massacre of Formosans by the Japanese police which recently occured at Tokyo with a result that four innocent Formosans were killed and more than a score wounded will cause grave concern to the Chinese people.

The unspeakable atrocity was caused by the ill-feelings between Formosan stall-market operators and the Japanese Matsuda Gumi Association which had rented the spaces to them.

Where is Tokyo? Tokyo is the capital of Japan, one of the largest cities in the world, and under the control of Allied forces. Why is it possible to allow the merciless slaughter to take place in that

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city? They could never justify the brutal and bloody acts of terrorism.

Even if those Formosans were robbers or reactionaries, the duty of the police was only to arrest them and send them to court for verdict. No matter who was at fault, the steps taken by the Japanese police were ruthless and unlawful. The Japanese Government should take the full responsibility of that tragedy.

We know that all Japanese police are well trained and obedient. They would not shoot unless authorized by their superiors. Certainly this was the revival of Japanese Fascists, whose brutal appearance had been shown to the world.

Formosa was ceded to Japan after the conclusion of the first Sino-Japanese war of 1894-1895. Since then Formosans were living under the jackboots of the Japanese military for a period of 50 years. After the unconditional surrender of Japan last year, Formosa, in conformity with the agreement made at the Cairo Conference, came to the embrace of its motherland again. What is more sorrowful is the fact that those people were massacred by their former ruthless rulers after they had been liberated by the Allied Nations.

Although they were killed by the Japanese police, the Supreme Allied authorities in Tokyo must be held responsible for the outbreak of that tragedy and must take effective steps to carry out a thorough investigation, and to make reparations for the losses sustained by the Formosans as well as to prevent the recurrence of such barbarism.

The Chinese Government should not hesitate to take whatever steps are necessary to attain these objectives. Dire situations require dire remedies. Strong steps must be taken, otherwise the life of no Chinese will be safe at the hands of the Fascist-inspired Japanese.

Y. Y. CHOW.

Shanghai,
July 31, 1946.

Elected Or Appointed

To The Editor:

After reading the letter to the editor "Elected, Not Appointed" in the July 20 issue of the Review I think the public should be informed of the truth concerning the Yunnan Provincial Council.

In Yunnan everybody knows the provincial councillors have not been properly elected by the people but appointed by a secret commission of five persons. They are Lee Tsung-hwang, former acting governor of Yunnan; Cheng Yuh-ko, executive member of the Kunming headquarters of the Kuomintang; Tao Yong, dean of education of the Yunnan Provincial Training Corps; Chian Tsang-shin, publisher of the Kunming edition of the Central Daily News; and Mr. Chiang Kung-liang himself. Mr. Chiang said that as a Yunnan member of the People's Congress he was elected by the Yunnan people, but in reality he was appointed by the KMT.

The Councillors were "elected" according to a list prepared by the secret commission. Each hsien council "elected" three persons from the list and the secret commission in turn chose one from the three. Mr. Chiang said, "All Councillors have been properly elected in accordance with Articles 17 and 20 of the election regulations of the Provincial Council." This is not true. Yang Tien-li, one of the Councillors, and former secretary general of the Bureau of Civil Affairs under Commissioner Lu Tsung-jen, stated at the first plenary session of the Council that "he understood that an order marked 'Strictly Confidential' was sent to hsien authorities concerning the election of councillors, but he was in no position to say who issued the said order." Mr.

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Chiang only applies a thick coat of whitewash.

Mr. Chiang said, "The editor of the Chen Yih Pao has also declared before he got into his stride that the alleged facts were based on nothing better than hearsay." That is not true. If so, why does the Council or the Bureau of Civil Affairs not sue the paper?

According to Mr. Chiang, the Yunnan Council seems to be as good as a state congress in the United States. Their resolutions are binding on the Provincial Government, he said, and the councillors have the right to interpellate the government about everything. I, however, believe that they do not have the right to do so as in the case of the assassination of Li Kung-pu and Wen I-to, or in the case of some members of the Yunnan Police Administration who were arrested recently by the secret service.

Further, I wish to ask Mr. Chiang why we have only 103 councillors instead of 129 for the 113 hsien and 16 lesser counties, and which theoretically are to be represented. I would like to know also why the councillor of Wuting hsien was barred from the first plenary session of the council on April 1.

In compliance with the organic regulations of the Provincial Council councillors are not allowed to hold any concurrent position in the government. But as far as I know, Ho Shao-cheng, director of the Yunnan Provincial Public Education Institute, is concurrently the principal of the Provincial Middle School of Chiuching.

All in all, we Yunnan people do not recognize the councillors as our true representatives, but only as henchmen of the KMT.

Mr. Chiang in his letter also did not refer to my letter to the editor "Yunnan Scandals" in the June 29 issue of the Review. He did not do so because he was well aware that it was a factual report, not mere hearsay.

A FAITHFUL REPORTER.

Kunming,
August 5, 1946.

Freedom Wanted

To The Editor:

After reading your "Anti-Foreignism" in the July 6 issue of the Review, I feel bound to write to free my mind to you as a "true" and "common" Chinese young man. Why "true?" Because I have, frequently and to my great regret, found the thousand and one young compatriots of my age who are either too conservative or too foreignized to deserve being called "true." And "common?" Because many of the Chinese youth either are too proud of their social status to think themselves still common or are too ignorant to be aware of the truth.

I flatter myself that I love my country simply because it is "my" country but not because I am a Kuomintangite or a Communist who says as much and yet who may have an axe to grind. Nor am I too prejudiced or too influenced by party propaganda to want a clear head.

Having made my stand clear enough, allow me now to get down to brass tacks at once.

I firmly believe that all men are created equal and are God's children alike. Therefore, in order to please God, they should love and help instead of suspecting and hating one another. If we can't get along smoothly together, we ought to try to keep a cool head and see things from the angle of others as well as from our own. Despite the fact that America hasn't withdrawn her troops, still I'm against an agitation for stirring up anti-American sentiment to drive out every American from our own soil. Then to take a leaf out of our book, America

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starts to pay us back in our own coin by driving away our people from her soil. What does this mean? The idea is dangerously incorrect. Hatred is never ended by hatred but by love and a true understanding between both sides. I am not a Kuomintangite nor am I a Communist. I, as a plain citizen of China, strongly object to any ill feeling of anti-foreignism.

I am in favour of depending upon our own efforts to settle our own affairs. If the American troops in China have carried out their mission, they should leave this nation as soon as possible.

All this anti-foreignism trouble came about through our not having a government of the people, by the people and for the people to represent the people's will. Any party is good if it respects the needs and opinions of the people and vice versa.

As I have mentioned above, as a plain Chinese I strongly object to anti-foreignism and on the contrary, I hold we should cooperate with any foreign nation on the condition that she respects our freedom. We want freedom to speak write, walk and smoke as a master in his own home. No party can stop us from struggling for this treasure. If the Communists do not permit us to criticize their principles or actions, we don't give in, and if Kuomintang presses us to join its party against our own will, we will not. Well, if there are some jingoist elements in both parties who want to stir up anti-American or anti-Soviet Russian feeling among the masses for their own selfish motives, it has evidently nothing to do with the will of the people but is only an indication that China hasn't yet been smiled upon by true Democracy.

WANG PIN-YU.

Pucheng, Shensi,
July 29, 1946.

Kunming Papers Banned

To The Editor:

A large number of papers and periodicals, including the Democratic Weekly, Student Paper, Cosmopolitan Weekly and 10 other democratic papers are to be suspended by order of the Yunnan Garrison Headquarters from August 3, according to reports in all papers in Kunming. The order is based on the grounds that their publication has not been ratified by the Ministry of the Interior of the National Government.

This is only a pretext, according to independent observers, who say the inside story is that 13 of the democratic papers frequently attack the Koumintang. Although some of the papers on the list are the organs of the Three People's Principle Youth Corps, it is very easy for them to resume publication later on. Eventually, as everybody can image, there will be only Government-controlled papers in Kunming.

Yang Jwu An, (his other name is Yang Li-der) the former chief attache to Governor Lung Yun, refused to confess that he is the assistant of Mr. Lung Shwun Tseng, the third son of Lung Yun, who is now in his native hsien, Cheau Jia, on the border of Szechuen Province. He further denies that he was ordered to command the former members of the Detective Squad of the Yunnan Police Administration to murder Li Kung-pu and Wen I-to, although, according to local reports, he was strongly urged to do so by the local authorities.

YOUR READER.

Kunming,
August 1, 1946.

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Sympathy

To The Editor:

After hearing that your *Review* has not been able to obtain a license from the Chinese Ministry of Information because of your impartial attitude and factual reporting, and that copies of your Review together with those of "The Weekly," "The Democrat" and "Wen Tsui" were snatched away from news-stands a few days ago by unidentified secret service-men, I think it is necessary for me to express my deepest sympathy as a good Chinese for the unfair and illegal treatment you have received.

You will never surrender, I believe. You are the real and honest friends of the Chinese people, for you think it is much more desirable and honorable to win the respect and friendship of the Chinese masses than to be praised and dined by reactionary government officials.

A few moments ago I was told the Lien Ho Jih Pao had received a threatening letter from the so-called Country's Soul, Iron and Blood Corps" because "the paper is pro-Communist and democratic and has expressed too much of the people's opinions." What a dark world we are in, and what an undemocratic government we have! Of course, we have never wavered in our belief that peace and democracy will surely be ours in the long run, but before that victory comes, what high prices we have got to pay. But people like Li Kung-pu and Wen I-to have not died in vain. Murder and suppression can never prolong the life of a "bad government."

It is high time too for the United States to change its policy in China for the sake of world peace and security, and if President Truman does not want to lose the friendship of the Chinese people. He can best do this by keeping his hands off China's domestic affairs.

Shanghai, CHANG PEI-LIN.
July 30, 1946.

• • •

(The ban on the REVIEW was lifted a few hours after it was imposed when it was discovered that neither the Police Department nor the Bureau of Social Affairs had issued any such order and that apparently it was all the work of "undesirable elements" masquerading as secret police. Both the police and the Social Affairs Bureau immediately sent out instructions that the sale of the REVIEW was not to be interferred with. Further, the police instituted a search—so far unsuccessful—for the culprits. Ed).

Omission

To The Editor:

In my article entitled, "Repatriation Of Tientsin Germans: One-Third, 177, Sent Home," which appeared in the August 3 issue of the *Review*, several lines were left out. I don't know why this was done; whether it was a printing mistake or the work of one of your copyreaders. In any event, I feel that the deleted lines were important and therefore would like to quote them.

In outlining the case against the Tientsin Germans, I pointed out that the Chinese should not consider that the Germans, because Chinese and German armies did not actually oppose each other, did them no harm. I quoted a United Press dispatch which in turn quoted Chinese returned students from Germany as saying: "All the Chinese in Germany were interned in Hamburg where they starved. Twenty to 30 died of tuberculosis."

I trust that you will be able to find space for this letter so that your readers may be fully informed of the alteration made in my article.

Tientsin, S. E. SHIFRIN.
August 9, 1946.

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密勒氏評論報
A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 102 Shanghai, Saturday, August 17, 1946 No 12

Postal Rates And Service

WE HAVE watched the progress of the Postal Administration's petition to the National Government asking for increased rates with mixed feelings. While we naturally are opposed in principle to any increase because we feel that our subscribers are paying as much as they should, we also are interested in a postal system which functions in a reasonably efficient manner.

After weighing the question, we decided that a 300 percent hike in rates would probably not improve matters very much. As we recall, the number of complaints we have received from subscribers since the last hike, which was 1100 percent, have not only not diminished, but have actually increased.

Obviously, the Postal Administration, long pointed to with pride as one of China's most efficient governmental organizations, cannot have collapsed over night or so quickly have fallen into the current governmental pattern of rotteness and corruption.

While the Postal Administration quite evidently has deteriorated shamefully in the past year, a great deal of the blame can be placed at other governmental doors. Upon several occasions orders barring the mails from certain planes or trains have been issued by higher authorities, such as the Executive Yuan. The **Review** was banned from the air mails upon at least three occasions during the last year because it was necessarry to move troops or bureaucrats from one point to another. At present the Army has commandeered a large percentage of the country's few still functioning railroads. All of these hindrances cannot be charged against the postoffice.

However, it is our observation that the postoffice could do much to improve its service even under these trying conditions. Things such as three-day delivery for letters within Shanghai are inexcusable. Also preposterous and indefensible is 12-day service between Shanghai and Soochow, a city some 80 kilometers distant and reached in two hours by train.

We have given up counting the number of letters we receive each week from subscribers in the interior who complain about late delivery or no delivery at all. Occasionally, though, we receive a letter which so aptly describes our readers' and our own feelings that we publish it in the Letters From The People Column. Last week such a letter appeared. It said in part:

". . . . it is no use to send it (the **Review**) by ordinary mail because it takes from one to one and a half months. Besides the mail gets so wet that sometimes it is impossible to read the letters or the magazine. I am so fed up with the postoffice that the less we have to do with it the better."

In addition to slow delivery there is the matter of lost mail. It is, of course, difficult to determine how many letters are lost, because the great majority of the letters people write require no answer. However, we are in a pretty good position to keep track of the number of copies of the **Review** lost. Every week we have to let the presses run a few minutes longer in order to keep our "replacement" stockpile filled and virtually every day of every week we are mailing duplicate copies of back issues to our subscribers who failed to receive their first copy.

In its petition asking for increased rates, the Postal Administration was able to present some very impressive figures regarding its losses. As we recall the monthly loss figure was CNC$4,000,000,000. It's too bad the postoffice didn't have some figures regarding the number of letters lost per month. We think such a figure would have been just as interesting to the Government and might have carried even more weight in convincing the authorities that the Postal Administration was in a bad way.

Not wishing to close on a completely sour note, we will state that we do receive the majority of our mail, although most of the time it seems to have come by Ox Cart, and that occasionally we get some really snappy service. Last week, for instance, we received a letter from one of our correspondents up-country telling us of an important last minute development necessitating a change in his article. This letter, sent by air, really came by air and was delivered to us in a matter of hours. We were able to make the necessary alteration. In his letter he referred to a telegram sent earlier in the day. Late last Friday night, well after the presses had ceased rolling and well past the time when most people should be home in bed, we were roused from our post-deadline stupor by a vigorous pounding on the door. Yes, 'twas the telegraph boy with the "urgent" telegram from our correspondent. Well, the Telegraph Administration says it lost five and a half billion last month so we suppose that if it loses more than the postoffice, it has to keep its record intact and be slower too.

Raid Or Robbery?

IN Tuesday morning's English-language newspapers there appeared the precise type of "official police raid" which is all too common in various cities of China and which now threatens to become a matter of routine here unless the Chinese government takes prompt and effective steps to bring such Kempeitai-Gestapo-like incidents to a full stop.

The raid was carried out at 54 Great Western Road at 6:00 a.m. on August 12 by some 15 to 20

men who claimed to be from the Woosung-Shanghai Garrison Headquarters. They flourished guns and, when their authority was queried, flashed red cards. They smashed in the door of a Parsee's apartment to gain entrance. They herded all occupants of all four apartments into a ground floor room, giving them no opportunity to dress. And they handcuffed them!

In the following points the Chinese Garrison officers—for such they must have been in view of the fact that the Gendarmerie had requested and obtained the co-operation of American Military Police, four of whom stood by as spectators from 6:00 to 10:00 a.m.—the gendarmes were definitely at fault:—

1. The gendarmes were not in uniform. They should have been.

2. The gendarmes did not have a search warrant. They should have had one for each apartment entered and ransacked.

3. The gendarmes exceeded their authority in handcuffing the "suspects," men, women and children, both foreign and Chinese. They had no right, on mere suspicion, to deprive them of their liberty as free citizens. There was no justification for treating the luckless inmates like convicted, dangerous criminals. The gendarmes should have presumed innocence until they found evidence of guilt.

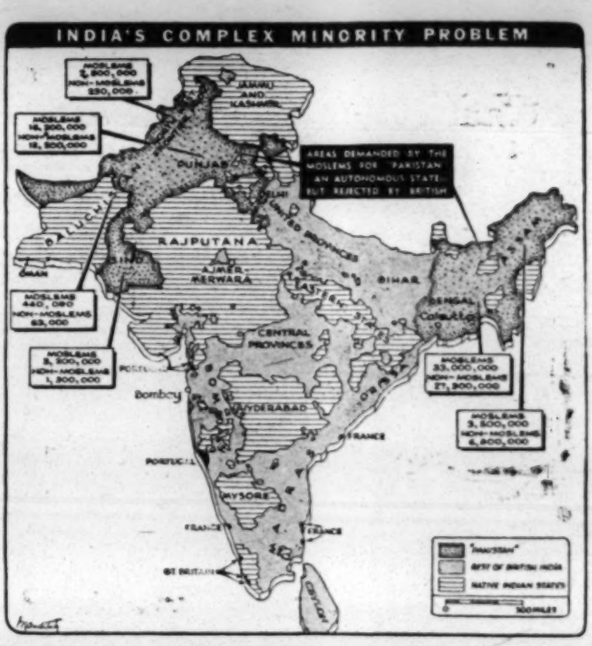
4. There was no reason for removal of the inmates from their respective apartments. The losses in jewelry, cash, etc., put at millions of dollars, whether imaginary or real, naturally would be laid to the gendarmes. Their action in insisting that their victims, whose property had been strewn all over their rooms during the raid, certify that nothing had been removed or lost, can only heighten suspicion of the gendarmes in these days of inadequate official pay scales.

Whether the raid was carried out in a search for counterfeit U.S. greenbacks, a theory supported by the presence of the four American MP's, or, as the Parsee victim surmised, in a hunt for Elly Widler, an unrecognized Swiss who since has been arrested by the Chinese authorities, the fact remains that there is no valid excuse for such an infringement by a swarm of supposed officers of the law, of the very law they are paid, however inadequately, to uphold.

Pushing and shoving of half-awake, half-dressed men, women and children and herding them into a single room where they could not see what was happening to their belongings, was bad enough, but handcuffing them, like common criminals, was intolerable. Could it be that these bullying, gun-waving gendarmes were afraid? If so, of what?

It is Shaghai's misfortune that the National Government has seen fit, since the resignation of General Chien Ta-chun as Mayor, to entrust the two posts of Commissioner of Police of the Shanghai Municipal Government and of Commander of the Woosung-Shanghai Garrison Headquarters to a single person. Either job is more than enough for any one man, however competent, to handle. And Monday's incident, the first of its kind to be given widespread publicity in the press, certainly confirms the belief that Hsuen Tieh-wu has too much on his hands to handle the multiple and complicated duties of Commissioner of Police here and concurrently the thousand and one tasks which fall to the Garrison Commander for the all too extensive Shanghai-Woosung area.

The North-China Daily News, reporting the affair on Tuesday under the significant headline, "Strange Story of Early Morning Raid," said in its lead, "Three foreign and two Chinese families were robbed of several million dollars worth of valuables. . . . " Was it a raid or robbery, it is pertinent to ask. From the newspaper accounts, it seems to have been both.



"People Who Live In Glass Houses," etc.

China has offered to mediate in the dispute between the Dutch and the Indonesians—*news item.* The only thing we want to know is who's going to mediate the Chinese dispute over how many members from the Kuomintang, Communist and Democratic League parties are to be named to China's Mediation Mission to Indonesia?

Whither India?

THE political clouds which seemed to have disappeared in India only a few short months ago, are gathering again. The Congress-Muslim struggle appears to be entering a new phase, where open civil warfare may result over the problems of setting up an interim government and the establishment of Pakistan. It is therefore evident that while India may be closer to independence today, it is so in name alone, and not in spirit.

We believe that the problem of Pakistan is still the chief stumbling block to Indian independence. For Pakistan is more than a mere political federation; Pakistan involves religion, culture, commerce, education and a host of other social and economic questions. To those who

maintain that Pakistan would merely give autonomy to the Muslims, one should ask what the results of Pakistan would be for the nation at large. Would Pakistan prevent communal rioting? Would it ensure a unified educational system, and would it tend to unify India spiritually? Until those questions are asked we cannot gauge the true importance of the struggle over Pakistan.

Muslim League supporters are all too glib at pointing out that Pakistan is the only way to prevent civil war in India. They opine that separated from the Hindu majority, the Muslims would be secure from Hindu "domination" and that this would produce harmony between the two. And at first glance this would appear as highly justifiable. But look below the surface, and what do you find?

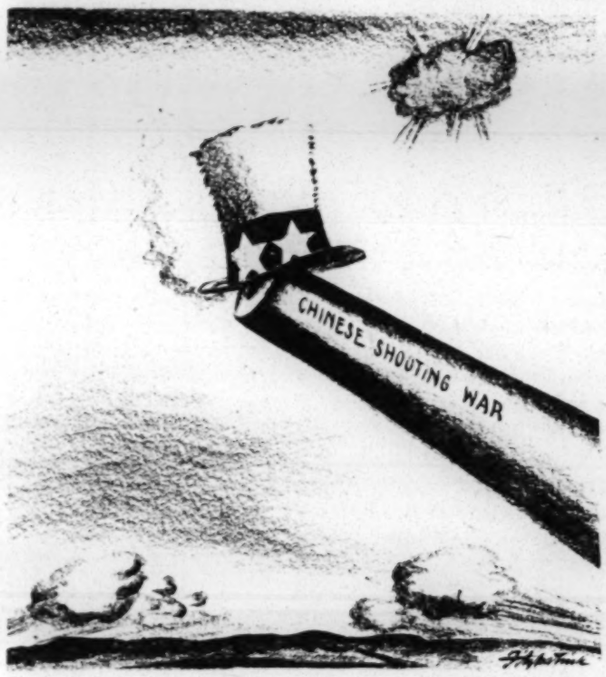
If Pakistan ever became a reality, what would be the result? The Muslims, wielded into a strong union, would tend to maintain and strengthen their own Islamic culture, and their own economic unit. They would regard Islamic legal practices as superior to those generally recognized in India. They would take Hindu minorities as unwelcome guests in "foreign territory." A Muslim bureaucracy would be established in "Pakistania." So much for the practical realities of Pakistan. It would not be a question of one India, with two autonomous federations. Let no one believe this, for Pakistan can only lead to two Indias.

Yet despite this the Muslim League believes that Pakistan can and will work. That is the great historical error of Jinnah and his supporters. They believe that Pakistan will prevent the type of civil strife which has always been the tragedy of India. They base their assumptions on the name, not on the spirit of the plan, and therein lies their cardinal error. They judge the future in terms of their aims, not in terms of India's political realities. What are those realities?

The first reality which the Muslim leaders must take cognizance of is that imaginary boundaries do not amount to political barriers. There is no mountain barrier or ocean expanse which will separate the Hindus from the Muslims in India. In fact, there is just as much reason, or rather lack of same, for two separate states in India as there is in China. The creation of two autonomous regimes in this country during the past two decades has not prevented civil war any more than it can prevent civil war in India. China's "Pakistan" has shown that artificial divisions only lead to political strife and suffering for the people.

The other reality that Jinnah's supporters should bear in mind is that history tends toward unifying nations, races and isolated units, rather than to divide the large into smaller parts. Thus the demand for "Pakistan" is anti-historic in the sense that it is working against the tide of mankind's experience.

These facts should make it clear that Pakistan can neither guarantee peace for India, nor produce order out of the chaos which has divided India's political leaders for a generation. If the Muslims desire to protect their rights, then they must do so within the political framework of a state that embraces the entire Indian peninsula. Two Indias are no more acceptable and practicable than two Chinas. The Muslim League must realize that Congress' faith is more important than mere treaties. A Muslim-Congress rapprochement in terms of signatures is not enough. Only a new common guiding faith to animate both parties can guarantee the future of India. But so long as Jinnah and the Muslim League refuse to recognize either present realities or historical precedents, not only will the Muslims suffer, but all India.



Fitzpatrick in St. Louis Post-Dispatch.

Whangpoo Note

From the St. Louis Post-Dispatch

The present situation is what is known as a seller's market, and it looks like they are selling it down the river.

U.S. Note Discount

HAVING become fed up with exchange shops discounting U.S. currency because it was dirty, or because it was of too high a denomination and also having become tired of haggling with the people from whom we collect money, as well as those to whom we pay money, we paid a few visits this week to local American businessmen and officials, asking each in turn what their experiences in the matter were and what they thought should be done.

Although individual experiences differed a bit, everyone's problem seemed generally the same: Each does his best to palm off large notes and dirty ones, while at the same time doing everything humanly possible to avoid taking any of same. All were agreed that the whole business was a lot of nonsense and that as long as this condition prevailed it would continue to work a real hardship upon American, as well as other businessmen.

The reason for this aversion to U.S. bills higher than 20 dollars, goes back to a wartime re-

gulation imposed by the U.S. Treasury shortly after Pearl Harbor which forbade the importation into the United States of more than US$50 per traveler, be he American citizen or alien. The idea behind this was that since there was so much U.S. currency in use abroad at the outbreak of the war that it was impossible to keep track of it and much of it undoubtedly would fall into the hands of enemy nationals and collaborationists who might use it as a means of hoarding their war spoils.

Following the end of the war, the U.S. Treasury Department modified the ruling, permitting the import of unlimited amounts of American currency as long as it was in denominations of 20 dollars or smaller. The idea behind keeping the restriction on 50 dollar bills and higher ones was that anyone abroad holding large amounts of U.S. dollars obtained from enemy nationals, collaborators or in some illegitimate manner would, for the sake of compactness, keep only large bills.

However, this is only a **restriction** on importation of large denominations and is not a **ban.** Both American citizens and aliens are at perfect liberty to carry as much U.S. currency as they like, in any denominations they like, to the United States with them. What they must do, though, is declare this money at the port of entry and, if they cannot readily satisfy Treasury inspectors that they obtained the money legitimately, the Treasury may impound the large notes until they are satisfied that they are not enemy property or enemy looted property.

The value of this information is that it definitely spikes the recurring rumors that bills of 50 dollar denomination and higher are "not good." Any American Government banknote is perfectly good, providing of course that it is genuine and not counterfeit.

When we pointed out to an American official here that the war had been over for quite some time and the continuance of even part of these restrictions did little but add to the worries of American businessmen abroad, he agreed wholeheartedly and said that the American authorities in China had made repeated requests to the U.S. Treasury that the whole thing be repealed for China where there now was little likelihood of enemy-held notes being circulated, and had advised Washington of the ridiculous situation prevailing here where both American and Chinese businessmen—depending largely upon U.S. currency because of the inflationary market—are daily victimized by shrewd exchange shop operators ever ready to squeeze another CN dollar out of a good rumor. However, the wheels of government move exceedingly slow, regardless of whether or not they grind fine, and the Treasury has replied that there might still be enemy-held hoards in Europe so they wouldn't remove the restrictions for China until they could be removed altogether.

Thus it would seem that for the time being those of us who occasionally happen to run afoul of a 50 dollar bill will continue to be stuck and will have to continue operating our offices much in the manner of an East Side New York pawnshop, minutely inspecting each and every bill and assigning a "Shanghai" value of, say, $49.98 to this one, while another we may appraise at only $47.00. Heretofore we've always been very well pleased with Uncle Sam's greenbacks and have noted with some pride their sound value around the world. However, now we're beginning to wonder. Maybe the Chinese Government has the right answer. Suppose someone does slip you a thousand CN note that used to belong to a Jap. Okay, so what?

Juvenile Achievement

From the Philadelphia Record.

TODAY'S young people make us feel ashamed. In only a couple pages of the news the other day, we learned:

1. A slip of a girl, Jane Albrecht of New York, has written a novel, "The Phantom Year," at the tender age of 17. Simon & Schuster is publishing it.

2. Lena Pearl Lindsey, in Memphis, Tenn., is only 14—and already she not only has been married, but divorced, too.

3. In Italy, a barefoot boy in short pants, Pierino Gamba, conducted a two-hour program of the symphony orchestra of Rome's Royal Opera House, won plaudits of the audience. Pierino is 9 years old.

Where will this sort of thing stop, this adult achievement of juveniles? If the mad drive of ambition becomes general among children, what of us grown-ups?

There won't be anything for us to do but sit back and watch them—and write home to Junior for money.

Soviet Sharpers

From the Boston Globe.

The Soviet Government may be run on the principles of Karl Marx, but in an oil deal it had enough practical business sense to acquire 51 per cent of the stock.

25 Years Ago In Millard's Review Of The Far East

August 20, 1921.

Branching Out

The Texas Company is now extending its petroleum products business to Hankow, and is about to open its Hankow offices in the Panoff Building. This is the latest addition to the American business firms in the Central China field.

* * *

We Know Now

"If Japan And America Fight—What would you do? If you want to know what Japan would do, read 'If Japan And America Fight,' by Lt.-General K. Sato.—Chinese American Publishing Company, 25 Nanking Road, Shanghai."—*Advertisement.*

10 Years Ago in The China Weekly Review

August 15, 1936.

Profitless

Frederick Moore, veteran American journalist in the Far East, described as "still in the employ of the Japanese Government," in an interview said, "(Americans) are not going to make any money out of China's trade for the next half-century ....these facts are well known and well understood....Men in authority in our Government realize the profitless character of America's China trade."

* * *

Headlines

Chiang Kai-shek Returns to Canton, Scene of Former Glories.

Situation in Suiyuan Again Critical.

Armada of 72 Japanese Warships Assembles in Amoy Waters.

"Shanghai Mainichi" Sees Sino-Japanese War Inevitable.

Liquidation Of War Criminals: Action By Paris Peace Conference Urged

By LIN WO-CHIANG (林我將)

THE terms "war crime"* and "war criminal" were not in current use until 1919, when the Allied Powers attempted to impose punishment on individuals belonging to the German armed forces or government who had violated the laws of war or, as we now say "committed war crimes," during the war, under the provisions in the Versailles Treaty. For previous to that, the liquidation of war crimes at the end of war usually took the form of indemnity or monetary compensation to be paid by the delinquent State to the injured State, and not the punishment of the violator or war criminal himself.

This practice was incorporated, even as late as 1907, in the Hague Convention (IV): Respecting the Laws and Customs of War on Land. The preamble to this Convention says: "A belligerent party which violates the provisions of the said Regulations shall, if the case demands, be liable to pay compensation. It shall be responsible for all acts committed by persons forming part of its armed forces (Art. 3)." Here it clearly indicates that the State alone may be held responsible, not the individual offenders. What is more, up to World War I the general conception was that with the termination of war and the conclusion of a peace treaty, whatever wrong done by one belligerent to another was to be forgotten and forgiven.

Loophole Now Closed

Thus, the peace treaty would "bury the occurrences of war in oblivion," said Hall, an eminent international lawyer who flourished at the end of the last century. It was his opinion, therefore, that the conclusion of peace would "protect those persons" from all civil or criminal processes to which they might otherwise be exposed in consequence of their conduct in the war (Hall, International Law, 6th ed., p.558)." This, together with the mystic conception of "State acts" as shown below, are serious impediments to the realization of international justice and the prevention of brutal wars.

Under these circumstances it was well nigh impossible to carry out war crimes settlement, for the simple reason that during hostilities only those of the enemies who happened to be captured could be tried. Even then the other side would often retaliate by giving similar or harsher punishment to those who had fallen into their hands. For fear of retaliation, just punishment was often withheld. The carrying out of a thorough and large-scale probe of war criminals becomes feasible only at the end of war, when the alleged offenders could be arrested, prosecuted or else punished. In this, as in the jurisdiction in ordinary criminal cases, the principle of effectiveness applies. The courts must be able to command the presence of the defendants. This elementary fact that "the foundation of jurisdiction is physical power," over the accused, has been more than once stated by Justice Holmes (in *McDonald. v. Mabee*, 37 U.S. Supreme Court 343). It is common sense, therefore, that so long as the argument that the conclusion of a peace treaty brings war crimes questions to an end prevails, it is idle to talk about punishing war criminals.

Another Bugbear Gone

The "Acts-of-State" argument, as mentioned above, is another bugbear that bars the way to Justice. In face of such an obstacle, it is impossible to hold any individual offender responsible for his war conduct. The responsibility falls on the State—an abstract or juridical person, instead of one in flesh and blood—from which the utomost one can get is monetary compensation. The punishment, if it can be so termed, actually falls on the shoulders of the innocent millions, who may have very little to do with war conspiracy and atrocities. The indemnity is dug up from the pockets of the common people, while the real culprits pay nothing, and may be hatching another war in the meantime. The heavy indemnity imposed on China for the fanaticism of the decadent Manchu Imperial Court in the 1900 Boxer Uprising, with which the common people of China were saddled for decades, is a case in point. Under the Protocol of 1901 China was made to pay an indemnity of Taels 450,000,000, spread out over 39 years.

Wars are instigated and waged by man, and not the State, although it is always in its name. No, to eliminate wars, aggressive and atrocious wars, we must get at the man behind the war machine. We must explode this hollow and baneful theory of acts of State and trample it under foot.* "Otherwise," as Prof. Glueck says, "the most flagrant malefactors could always escape punishment by shifting individual responsibility and guilt from themselves as law-breaking manipulators of the State to the State itself (War Criminals, p.183)." Laski's exposition of the true nature of the so-called State acts as an eye-opener to those whose minds have long been confused by the pet theories advanced by German writers in the past. Commenting on this he points out:

> **"Whenever a state acts in some given way, it is invariably because those who act as its government decide, rightly or wrongly, to use its sovereign power in that way. The state itself, in sober realism, never acts; it is acted by those who have become competent to determine its policies." (H. J. Laski, The State in Theory and Practice, p. 25)**

Change Made In 1919

At last a break with the past was effected in 1919, when the Allied Powers reached out for the real warmongers and perpetrators of war crimes. In the Treaty of Versailles Germany recognized the "right of the Allied and Associated Powers to bring before military tribunals persons accused of having committed acts in violation of the laws and customs of war," and the German Government agreed to hand over all specified persons so accused (Arts. 228-30). As Hershey rightly observed, "the Paris Peace Conference thus set a new precedent looking forward to the establishment of the principle of individual responsibility and liability to punishment for criminal acts in violation of laws and customs of war committed by members of the armed forces of one belligerent against the persons or property of the other belligerent" (Hershey: Int. Law, pp.623-4).

Commenting on the same subject, another writer says: "The Peace Conference...set a new precedent, one that is to be highly commended in affirming the principle that individual offenders against the laws of war, whenever their acts are criminal in character, are personally responsible and liable to punishment, and in endeavoring to give practical effect to this principle by requiring German offenders during the recent war (World War I) to be delivered up for trial and punishment." (Garner; Int. Law and the World War, vol. 2, p.497). However, German apologists and propagandists then were not slow in coming to the defense of the German war criminals. One of the reasons why these men cannot be prosecuted and punished was, they argued, because to do so would violate a fundamental doctrine of criminal law which prohibits the giving of *ex post facto* (i.e., retroactive) effect to law. But this had never been taken seriously; it would not fare better today, simply because the prosecution and punishment of war criminals is no longer "unprecedented."

Nuremberg And Tokyo

In the above discussion we dwelt on one point, viz., that war criminals "could" and "should" be punished, exploding the State-acts theory, a favorite theme among former German scholars, and commenting on the "precedent" set by the Paris Peace Conference of 1919. Let us hope we may see that a new *precedent* is set by the Paris Peace Conference of 1946, viz., that war criminals "would" invariably be punished. The International War Crimes Tribunal for Europe, es-

See foot-note at the end of this article for a list of war crimes.

**It is to be noted that if the "State acts" argument is not brandished before the courts by both the German and Jap defense, it is not because they are exhausted in ammunition of this sort of legal and political arguments. It is simply because their "Reich" or "State" has been so shattered and disorganized that only the semblance of its former "self" is left, too feeble to be used as a shield for the protection of the war gangsters now living under the shadow of the gallows. Under different circumstances and in other days it may be otherwise.*

tablished upon the recommendation of the United Nations Commission (set up in London in 1943 to deal with war crimes problems), has been sitting at Nuremberg for nearly nine months, trying a couple of dozen Nazi war criminals, whose conviction seems always within sight but never within reach.

In Asia, another tribunal of a similar nature began to function in May. (CWR, May 18, 1946). We recently learned that it has just arrived at the end of the "first phase" of the trials, traveling by easy stages, perhaps. Of course, there is no occasion to rush things, because, as we were told, the whole business consists of "four phases" only. As things in Europe and Asia stand now, it looks as if the present Peace Conference may have to take a hand and look into this matter, besides taking care of the peace treaties problems of a group of European nations. It may have to set a time limit within which war crimes trials must wind up. Indeed, it may have to go farther, to put on record that henceforth war criminals *would* be punished—as sure as day follows night.

"Eye For Eye" Concept Gone

In demanding the sure and expeditious dispatch of the top ranking war criminals now on trial and those still waiting to be tried, we do not desire the death, swift death, of these men as such; but as instigators of aggressive wars, destroyers of peace and violators of the common law of nations, they deserve our stern and just wrath. We are not asking for Biblical justice—"a life for a life, a limb for a limb" (meaning that of the Old Testament, where God was a just God, who did not even spare His favorite creatures for their first sin). Had this been the case, millions of those Japs who had participated in the aggressive war against China and her Allies in the Pacific region, would have to forfeit their lives, before one could pronounce that their crimes had been equitably liquidated, as is shown here.

In the "Rape of Nanking," according to a witness recently heard before the Tokyo Tribunal, not less than a quarter million innocent men and women were tortured, butchered or raped under horrible circumstances (another witness refrained from giving details of the Rape of Nanking, because they were too revolting, until the Chief Judge assured him that "nothing is too terrible for this tribunal"). And, this was for the Nanking area only, not counting those who perished in other cities. It has been conservatively estimated that some 10,000,000 men and women were either killed by, or died on the way while fleeing from, the advancing hordes. As far as the Americans were concerned, it has been estimated that about 142,000 died under Japanese hands, as a result of war crimes (as reported by the U.S. War Department on July 28). Capital punishment for that mere batch of men whose hands are red with crimes can but be symbolical of the determination of the United Nations to ensure a lasting peace by discouraging such horrible war, about which only one aspect is touched upon here.

Why Paris Should Act

The peace treaty which is soon to be concluded between the United Nations and Japan, will not be worth the paper on which it is written and signed, if these seeds of war and sources of human miseries, at present held in a state of suspension but not devitalized, are not thoroughly exterminated and eradicated. This is why it is suggested that the Peace Conference should now intervene to assure itself of success in this respect. If the Paris Peace Conference does so, it will be without prejudice to the jurisdiction and authority now exercised by the Supreme Commander of the Allied Forces in this region. Peace is indivisible, as Foreign Minister Wang, chief of the Chinese peace delegation, reminded the Conference. Besides, the Paris Peace Conference of 1919 had actually created, at an early stage of the conferences, a commission to attend to such matters, viz., the Commission on the Responsibility of the Authors of the War and Enforcement of Penalties. This commission rendered much aid to the Council of the Conference.

32 War Crimes Listed

(a) A list of war crimes committed by Germany and her allies, as submitted by the Commission on the Responsibility of the authors of the War and the Enforcement of Penalties, 1919.*

1. Murder and Massacres; systematic terrorism.
2. Putting hostages to death.
3. Torture of civilians.
4. Deliberate starvation of civilians.
5. Rape.
6. Abduction of girls and women for purpose of enforced prostitution.
7. Deportation of civilians.
8. Internment of civilians under inhuman conditions.
9. Forced labor of civilians in connection with the military operations of the enemy.
10. Usurpation of sovereignty during military occupation.
11. Compulsory enlistment of soldiers among the inhabitants of occupied territory.
12. Attempts to denationalize the inhabitants of occupied territory.
13. Pillage.
14. Confiscation of property.
15. Exaction of illegitimate or of exorbitant contributions and requisitions.
16. Debasement of the currency, and issue of spurious currency.
17. Imposition of collective penalties.
18. Wanton devastation and destruction of property.
19. Deliberate bombardment of undefended places.
20. Wanton destruction of religious, charitable, educational, and historical buildings and monuments.
21. Destruction of merchant ships and passenger vessels without warning and without provision for the safety of passengers or crew.
22. Destruction of fishing boats and of relief boats.
23. Deliberate bombardment of hospitals.
24. Attack on and destruction of hospital ships.
25. Breach of other rules relating to the Red Cross.
26. Use of deleterous and asphyxiating gases.
27. Use of explosive or expanding bullets, and other inhuman appliances.
28. Directions to give no quarter.
29. Ill-treatment of prisoners of war.
30. Employment of prisoners of war on unauthorized works.
31. Misuse of flags of truce.
32. Poisoning of wells.

For the full text of the Report of this Commission, see Carnegie Endowment for International Peace, Pamphlet 32, entitled "Violations of the Laws and Customs," 1919.

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A Plea To U.S. Industrialists On Post-War Aid To China

By T. Y. CHEN & GEORGE CHANG

Chungking, July 24.

EIGHT years of devastating war have brought China to the verge of a complete economic and financial breakdown. The magnitude of the present inflation, which has no parallel in our history, further aggravates the situation. The flaring up of civil war with its ensuing disruption of communications, social commotion and labor imbroglio, is another dreadful phenomenon witnessed after the dawn of peace. Chinese native industries are definitely on the decline, production is at a standstill and export trade paralyzed. The present foreign exchange rate is certainly most favorable for American exporters.

Since the opening up of the free exchange market by the Chinese Government, export trade is practically impossible due to the high cost of production at home and official price ceilings abroad, while import business flourishes.

"Boom" Cannot Last

However, this state of affairs cannot be relied upon to stand too long; it is only transient prosperity which will soon vanish for the following reasons:—

1. The present exchange rate lacks proper co-ordination and ratio between the purchasing power of Chinese National Dollars and United States Dollars and is simply bolstered by a reserve fund held abroad. Although the actual magnitude of the Government's funds held abroad and the rate of depletion of these funds at the present time are unknown, yet it is easy to predict that with the free granting of foreign exchange to finance the increasing influx of imports, the date cannot be distant when such funds will become exhausted.
2. Another way of financing imports is by making use of "holdings of private individuals" abroad or by actual greenback notes. But these private holdings and notes are negligibly limited in comparison with the huge volume of imports.

Depletion Seen

3. Following the social unrest and rural collapse, the purchasing power of the Chinese people in general is tending to diminish.
4. With the depletion of foreign reserve funds and the accelerated inflation at home, the present rate of US$1=CNC$2000 will no longer be maintained.
5. When the rate for United States Dollars soars, the price of American goods will go up correspondingly. Hence, there will be less demand for imported goods due to further reduction of purchasing power.
6. With the eventual exhaustion of purchasing power of the masses, import business must decline.

In this connection, it seems relevant to point to the fact that international trade in relation to world markets is very intricate and requires certain economic insight. Mutual assistance and co-prosperity are of paramount importance. It is plain and simple that people who have commodities for sale are looking eagerly for customers.

With a view to furthering mutual interests of both countries, the following suggestions are offered to American industrialists and enterpreneurs:—

1. In order to maintain the Chinese market for American goods, it is imperatively necessary that the standard of living of the Chinese people be raised and that the Chinese masses should have adequate wealth and purchasing power. Only when China posseses sufficient purchasing power will there be large markets for large scale importation of American goods and capital.
2. With aims of co-existence and co-prosperity, the United States should extend loans or credits to China in the form of machinery, tools and communication equipment, etc. to be imported into China in order to help the latter build her industries, increase production and develop communications.
3. Hitherto all American aid to China has of necessity gone through the Government Supply Commission or similar official organizations. This is presumably due to the fact that the Americans lack a comprehensive recognition of the individual Chinese industrialists and merchants and hence prefer to deliver the aid to the Chinese Government for subsequent disposal. But then they fail to see this drawback: that once the things go to the Chinese Government they are confined to bureaucratic control and monopoly while the Chinese masses are not the least benefitted. It is most important, therefore, that such loans and credits should not be solely contracted or undertaken officially by the Government and steps should be taken to help the merchants and industrialists of both countries come into closer contact for direct dealings.
4. The transaction of such loans should also be effected by commercial firms, trusts, syndicates or some reputable trade unions and business associations such as the U.S. National Chamber of Commerce, the American Chamber of Commerce in China, American Industrial Institute, Chinese Chamber of Commerce or China-America Council of Commerce and Industry Inc. and the like. Such loans may likewise be procured by individuals with the guarantee of reputable trade organizations.
5. American assistance and aid extended to Chian by the above means will bestow substantial benefits on the Chinese masses. Such an undertaking will then be free from bureaucratic control and permitted to pursue its natural, efficient and smooth course. It is a noticeable fact that the present Chinese industries and enterprises, of any sizable volume at all, are either wholly operated or partially subsidized and controlled by the Government, while private enterprises are destined to a gloomy fate. In view of the rampant official inefficiency and the red tape of worm-eaten bureaucracy, it is hardly possible to expect any achievements of state enterprises and undertakings.
6. The last but not the least beneficial effect is that such a measure will eventually bring about a closer commercial and industrial relationship and indirectly help the promotion of a more cordial friendship between the two nations.

Long View Wanted

Taking all in all, it is earnestly hoped that American merchants and industrialists will not be misled by the transient boom of their export business. They should be far-sighted and aim at a perpetually flourishing Far Eastern market.

Reviewing the past war of resistance, the U.S.A. and China were comrades-in-arms against common foes and they cooperated remarkably well. There is ample reason to believe that their collaboration in lines of industry and commerce will be equally successful and bear fruits of mutual happiness and world prosperity.

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Angles Of Loyalty, Intolerance In Jacobi Case Discussed

By CELSIUS

THE case of the refugee lawyer Dr. Alfred Jacobi, who first accepted and later resigned as counsel for three of the defendants in the Ehrhardt Trial, has caused sensation and comment far beyond the circles immediately concerned. If the local colony of German refugees in general not unjustly complains that they are given less publicity than their tragic plight deserves, in this case they certainly got more than they had bargained for—even if Jacobi was disbarred at a bar association meeting on Thursday by a vote of 46-2.

The accused Nazis seem to have found some difficulty in getting legal representation of their own choice, for it was a highly unpopular, if well-paid, job. American and Russian lawyers refused. Some prominent refugee lawyers were approached and declined. At last, two European lawyers accepted, one of them Dr. Jacobi.

Married Catholic Aryan

Bavarian-born, good-looking Dr. Jacobi is not a Jew in the religious sense, but non-denominational, having abandoned the Jewish creed without embracing any other. Married to an Aryan wife of the Catholic faith, he is the perfect type of the thoroughly assimilated Jew so common in Germany, and might well have forgotten that he was one by birth until Hitler brought the fact home to him.

These circumstances, of course, could not save him from disbarment and exile, but they did spare him at least the most degrading features of the life of the run-of-the-mill refugee. His wife happens to be related to one of the owners of the well-known German firm of Melchers & Co., and the managers of the local branch office did not hold it against her that she had followed her "inferior-blooded" husband. From the first she found employment with this firm on terms fully adequate to her breeding and education, and the husband, through her connections, remunerative work in coaching the children of the German colony for high school and college.

Sought, Rejected Advice

After the Japanese segregation order he had to move to Hongkew, but there again he could evade the drabness of the squalid rooms in overcrowded Chinese lanes and acquire a suitable residence in the one decent apartment house within the borders of the "District." So his is not a case of destitution, of a desperate man grabbing at the last straw.

Before accepting, Dr. Jacobi took advice, from the officers of the refugee Bar Association, on the board of which he himself sat. His colleagues, in writing, strongly advised against accepting. Dr. Jacobi, likewise in writing, rejected politely the advice he himself had solicited, and had himself publicly announced as a counsellor for the defense.

Threats Change Mind

But the public reaction was more violent than he had foreseen. For once, the refugee community, otherwise split up in many factions, was at one in refusing to tolerate this disgrace. Flaming protests and threats kept pouring in. The Jewish youth organization declared they would do their utmost to prevent counsel from reaching the hall of justice—with violence, if necessary. Dr. Jacobi realized discretion to be the better part of valor, and backed out.

As far as the person of the would-be counsel for the defense is concerned, the story offers few ingratiating features. His retreat was, if anything, even more inglorious than his advance. To be a first-rate criminal lawyer, you have to be one of two things.

Either you have to be a fighter, willing to espouse a cause you have recognized as just, even if extremely unpopular, even at personal danger. If you choose this road, you would be a worse risk for a life insurance company than a stunt flier, but you would have the supreme gratification of living up to your ideals, and you may win fame and recognition. Such a one was Maitre Labori, the defender of Dreyfuss, or Masaryk of Czechoslovakia, who came out for Beilis, accused of ritual murder.

Or else you must have more than the usual measure of judiciousness, smell a rat when there is one in the offing, and have the prudence to decline the most tempting offers when you sense a storm brewing. Dr. Jacobi has simply proved that he is possessed of neither of these qualities, and that he has not the makings of a real criminal lawyer.

Intolerance Shown

However, there is another angle to the picture, and it is far more interesting than the personal equation of a small-time actor who for once wanted to play a leading part, one beyond his stature. The Jews around the world always have been the first victims of intolerance. They are the eternal minority, and absolute tolerance is the only atmosphere in which they can prosper. Are they not themselves being intolerant by preventing one of their number from lending his professional assistance to people who he thinks or even pretends to think innocent, however repulsive their political creed and however detrimental to their own, the Jewish, cause? Are they not thus playing into the hands of their worst enemies and sapping the roots of their own existence?

Speaking thus means completely misjudging the position between Nazis and Jews. This is not a question of being fair to a beaten enemy. Nazism is far from being beaten, and still further from being dead. It has lost the contest of arms, but in the realm of thought it is very much alive, and it is very doubtful whether it has not gained ground. It is of no use to let oneself be deceived by names. The principles of which the gas chambers of Bergen-Belsen were only the ultimate upshot, the principles of racial discrimination, worship of brutality and self-glorification, existed before Hitler and have not died with him.

The dragon has been slain but the evil seed of his fangs has sprouted in places where it would have seemed impossible not so long ago. The war

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between the Nazis and what they stand for, and the Jews and what they stand for, antedated the "1000-year empire" and is not at an end with its downfall. It is a pitiless and cruel war, with no quarter asked or granted.

Nazi Party Members

Dealing with the enemy, in a community struggling for its life, is contemptible enough. But assisting the enemy is unpardonable. The defendants in the Ehrhardt trial may or may not be guilty on some or all counts of the writ of indictment: this is for the Court to decide. But in the eyes of the Jewish people, and maybe in the eyes of some other people as well, the defendants, most if not all of them, have signed their confession: They have been and are members of the N.S.D.A.P.

Membership of the Nazi Party was not compulsory, least of all in Shanghai. To obtain it, you had to apply and to solemnly pledge yourself to the principles of Nazism—and through them to the tenets of relentless struggle against Judaism, democracy, pacifism and the rights of man. There is no getting around this fact.

Popular emotional feeling is, in agitated times like the present, not always a reliable guide in judging a case. This time popular feeling was not mistaken. Dr. Jacobi's behavior was attempted defection from his own race and from a community he had joined for better and for worse. And any community, however small, however powerless, has a right to guard itself against defection.

Some defenders of the freedom of defense have invoked against this the case of the physician who is entitled and even obligated to give his services to anybody in need of them. But there is this marked difference between the professional ethics of the doctor and the criminal lawyer: the doctor, fighting for the physique of his patient, has to give him his professional skill and nothing else. The lawyer, fighting for the standing of his client in human society, must, in order to live up to his task, give him all his skill and something besides: his loyalty.

It is perhaps a comforting thought that there are still some things which money cannot buy. Loyalty is one of them.

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Chefoo Suffers From Blockade; Industry, Trade Hard Hit

By WILLIAM AYERS.

Chefoo, Aug. 10.

HANGING over this former prosperous port city of northern Shantung today—one year after the Japanese surrender and Chefoo's taking over by the Communists—is a pall of economic stagnation and civilian unrest, the result of unofficial embargo and military activity.

Though the Eighth Route Army occupied the city on August 24, 1945, two days after the Japanese withdrawal, and a Communist government has since been established, neither has been able to resurrect Chefoo. For Chefoo depended on shipping—and the volume of shipping is small.

Shop Shelves Bare

A walk down the well-paved streets of Chefoo's now quiet business section near the sea reveals almost one out of every four sturdy buildings closed and shuttered.

Here were the large export and import firms, the banks, the foreign commissary stores, the cloth and silk shops, the entertainment houses, the bars and restaurants which catered to the U.S. Asiatic Fleet in summer months.

The majority of stores in this section which still are open have little stock. Take one commissary store: A pre-war package of puffed rice and bare shelf; a rusty can of Carnation milk and more bare shelf.

Trade Needed

This section of the city will not be revived without resumption of Chefoo's former export trade in hairnets, embroideries and laces, pongee, raw tussah silks, waste silk, peanuts, fruits, hog casings and without its imports of timber, fuel oil, kerosene, coal, iron and steel products, ginseng, sugar and rice. In 1934 this trade, foreign and domestic, totaled CNC$52,489,240.

The little commerce which is in progress today is with the Communist-held Shantung ports of Lungkow, Weihaiwei and Shihtao, carried out by junks and small-motored craft, and irregularly with Dairen in Manchuria, more irregular still with Nationalist-held cities of Shanghai, Tsingtao and Tientsin, the latter being effected by sea and land blockade runners. That this blockade running exists is evidenced by one large book store here, opened a month ago and completely stocked with new Shanghai publications.

Foreign Business Wanted

No one realizes the situation in Chefoo more clearly than does the Communist government. Time and time again officers of the government have expressed their desire to have foreign and Chinese trade resumed with Chefoo, to have "the Kuomintang blockade" of the port lifted. This sentiment was expressed to Richard Service, U.S. Consul of Tsingtao, when he visited the city in April. It was expressed again on July 15 by Governor Ts'ao Man-chih of the Kiaotung Administrative District in a speech of welcome to A. R. Kennedy, who came here as a representative of S. L. Burdett, British Consul in Tsingtao.

Governor Ts'ao stated: "I express welcome to Mr. Kennedy, who is here as a representative of the British Consulate. The people of the Kiaotung District and Chefoo are anxious to see that the British resume commercial interests with our district on the old basis. Our people desire much to resume commercial dealings with all the Allied Nations. We have many articles we need to import from foreign nations, also many articles we wish to export to foreign countries."

Fitzpatrick in St. Louis-Post Dispatch

Place Prerequisite

Despite this desire, neither the government nor other observers hold any real belief that the situation in Chefoo will change until the realization of peace in China.

Though the section of Chefoo containing small Chinese shops does not appear dead as does the downtown section and on the surface business is proceeding as usual, here the general economic stagnation is also felt. Felt more keenly, perhaps is unrest produced by civil war.

This unrest has been evidenced here within recent weeks by great fluctuation in commodity prices and gold.

US$ In Demand

The principal bank here is the Chefoo branch of the government Bank of Pohai. This sets an exchange rate of CNC$20 to Pohai $1 and US$1 to Pohai $115. There is little demand for National currency, but a black market exists in buying of U.S. notes. Rates vary from Pohai $300-400 for U.S. $1.

In recent fluctuations, gold has risen as high as Pohai $46,000, fallen again to $27,000 and is now hovering around $30,000 (CNC$600,000). The government bank has placed gold on the market from time to time to curb this fluctuation, yet such a measure thus far has had only brief effect.

Commodity Prices

On July 23 a sampling of commodity prices showed the following results: Corn, per catty, Pohai $30 (CNC$600); millet, $40 ($800); wheat $40 ($800); rice, $150 ($3000); potatoes, $14 ($280); tomatoes, $16 ($320); apples, $24 ($480); peaches $20 ($400); eggs, each, $7.50 ($150); pork, $150-180 ($3000-3600); chicken, $55 ($1100); fish, $40-170 ($800-3,400); peanut oil, $80 ($1600).

On July 25 corn was $20 (CNC$400); wheat, $40 ($800); millet $35 ($700); beans, $38 ($760); kaoliang, $22 ($440); rice, $80-90 ($1600-1800) and flour, $60 ($1200).

Luxuries High

Luxury items are untouchable. Chefoo's famous laces and embroideries (a small stock now) are more expensive than similar items in Shanghai or Tsingtao, table sets, for example, selling for US$40-80. A typewriter ribbon costs US$10.

There is an abundance of foodstuffs here. The average population, however, maintains a diet based on corn. Wheat is chiefly homeground, as are other grains. Clothing of the population appears to be adequate and of good quality.

To curb fluctuations of prices the city government, the military garrison and the merchant's union on June 22 issued proclamations urging the population to take no stock in Kuomintang rumors and warning that hoarders would be severly prosecuted.

Industry Hard Hit

Industry in Chefoo is of small scale. The Sui Feng Flour Mill operates only part time. The Li Chuan Brewery is inoperative due to a shortage of bottle crowns. Embroidery and lace workshops are closed, hairnets are not being manufactured nor are the clock factories working. The Chang Yu Pioneer Wine Company, however, is on a more sound financial footing than before the war, and is now producing 1500-2000 cases of brandy per month as compared with 800 cases formerly.

According to Governor Ts'ao, Chefoo since its liberation from the

Japanese has experienced no real peace of mind due to:

1) Fighting along the Tsingtao-Tsinan Railway;

2) Recent shelling by Nationalists in the vicinity of Weihaiwei and Changshan Island, off Penglai;

3) Frequent flights over the area by the Chinese Air Force and American planes, and recent bombings and strafings by Chinese planes;

4) Shiploads of troops on U.S. and Nationalist ships passing through the Gulf of Pohai near Chefoo en route to Manchuria;

5) Nationalists' puppet attempt last October to take K'ung-T'ung Tao at the entrance to Chefoo harbor;

6) Attempt of U.S. Navy to land here last October.

U.S. Experiencing Farm-land Boom

A FARM-LAND boom is reported from the United States, affecting mainly tobacco and cotton regions, said to be greater than the 1920 boom that followed on the heels of World War I. In Kentucky, Tennessee, Virginia, North and South Carolina, Georgia, Mississippi and Arkansas increases as high as 80 percent reflect tobacco and cotton price hikes.

Beef prices caused slightly smaller gains in farm-land in the States of Colorado, Wyoming, New Mexico, Idaho and Montana. Wartime expansion of industry and population boosted land prices more than 80 percent in Michigan, Ohio, Indiana and the Pacific Coast.

In other States, in the wheat and Western corn belts, where droughts and dust storms caused value to decrease during the 1930's, only partial recovery was registered. In Iowa, land is selling for only 57 percent of the 1920 peak and in South Dakota land for only 38 percent of the same period.

A severe collapse, with the failure of several thousand rural banks, was the result of the 1920 land boom and people are guessing what the effects of the present boom will be. The Government is providing cushions against a similar collapse by guarantees of farm-commodity prices, bank deposits and the prospect of federal credit to prevent widespread foreclosures.

Officials, however, see the present trend as part of the general inflationary tendency and predict that the higher the boom now, the more painful will be the readjustment when food shortages give way to surplus.

Despite reports that Dr. T. V. Soong, President of the Executive Yuan, in a statement to the press, declared that government service fees would not be increased, the Wen Hui Pao reported that postal charges will be increased nine times. An ordinary air mail letter will thus cost CNC$14,400 instead of the present CNC$1600.

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NEWS OF THE WEEK

Small Hope Left For Civil War Halt

ALTHOUGH President Chiang Kai-shek, in his speech on the occasion of the first anniversary of the Japanese capitulation, reiterated his desire for a peaceful settlement of the civil conflict by political means, his address, as reported from Kuling by Central News, contained the phrase: "We must put down rebellions...." The whole tenor of the Generalissimo's address gave the impression that while willing to negotiate further, past the present deadlock, the blame for the impasse was laid squarely on the shoulders of the Chinese Communists.

"If the Communists had carried out the three agreements reached since last January..," the President declared, "we could have completed our transition to political democracy..." The Communists, on the other hand, accused the Government of not adhering to the promises stipulated in the PCC meeting. It was this state of affairs that led General George C. Marshall and Ambassador J. Leighton Stuart to announce:

"It appears impossible for the two parties to reach a settlement of these issues, which would permit a general order to be issued for the complete cessation of hostilities in all of China."

Mediator Leaving?

Following the joint statement speculation arose as to whether General Marshall would leave China for the United States, since pessimism and conviction of the failure of his peace mission stand out in the document.

While the Chinese Communists are reported to be storming the city of Tatung, in North Shansi, and the situation in the Taiyuan sector, 150 miles southwest of Tatung, "is rapidly deteriorating," the Generalissimo, according to UP, has demanded that the Communists leave Manchuria before October 15. He excepted the provinces of Hingan and Heilungkiang, and half the province of Hokiang with the city of Yenki.

Government demands for Communist evacuation of areas were augmented by Shansi, not previously mentioned. The Communists have declined to consider these demands.

Case For UN?

A rumor was set circulating to the effect that the Chinese Communists may submit their case before the United Nations. This was reported to have been said by Gen. Chou En-lai to Ambassador Stuart, but official confirmation was lacking.

An all-out offensive against the Communists was believed imminent and official circles declared in Nanking that the Communists had their last chance with the offer of Cabinet posts in the Government.

However, this possibility was discounted before the convocation on November 12 of the National Assembly, with which the Government intends to proceed, with or without Communist participation.

Voting Procedure Adopted In Paris

RUSSIA's attempt to secure the adoption of the two-thirds voting rule, a method adopted unanimously by the Big Four Ministers prior to the opening of the Peace Conference, was put to the vote after days of haggling, and defeated by 15 to 6. China was among those who voted for adoption of decisions by simple majority, but including the British amendment for adoption both by simple and two-thirds majority.

Italy, represented by Premier Alcide de Gasperi, was allowed to plead her case before the conference, with particular stress on the Trieste problem, the most controversial question on the peace agenda. De Gasperi, accused the Big Four of neglecting their Potsdam declaration which promised to consider Italy's services of co-belligerency. He declared that an unjust and punitive peace was being imposed on his country.

Soviet Foreign Minister Vyacheslav Molotov, commenting on De Gasperi's speech, declared that Italy should become a strong Mediterranean power, but should first become democratic and wipe out the traces of fascism, whereas the Italian Premier's speech showed that he wanted to keep the positions won by fascism.

Yugoslav delegate Edward Kardelj, whose country is most concerned with the Italian claim to Trieste, declared that Italy must not be allowed to become the starting point of another world war or of "further pressure on the Balkans."

Meanwhile, the UN Security Council sub-committee is studying eight applications for membership, including Albania, the Mongolian People's Republic, Siam, Ireland, Iceland, Portugal and Transjordan. Afghanistan's application was unanimously approved.

Iran May Take Case To Security Council

THE presence and the reinforcement of British troops in Basra, in Iraq, prompted Iranian Ambassador to the United States Hussein Ala to declare that Iran might be obliged to submit her dispute with Britain to the United Nations and to resist if attacked.

British contentions that troops could be sent to Iran to protect British interests and property in that country, particularly in the Anglo-Iranian Oil fields, recently the scene of labor disputes, were discounted by the Ambassador. The settlement of the labor dispute should be considered an internal problem of the Iranians and should be dealt with without foreign intervention, he said.

The British Embassy in Teheran received a note of the Iranian Government, asking for the immediate withdrawal of British and Indian troops from Basra.

The strike of oil workers of the Anglo-Iranian Oil Company which began on July 14, led to the killing of 17 and injuring of 150, when clashes developed between the workers and Arabs.

Dardanelles Problem Now In Limelight

THE question and revision of the Montreux Convention of 1936 was brought up by the Soviet Government which dispatched a note to that effect to the Turkish Government, asking for an international convention to draw up a new regime for the straits. It is said that the Soviet Government has asked for a bilateral Soviet-Turkish agreement on the Dardanelles, to be joined by other Black Sea states, providing for a joint defense of the Bosphorus and the straits.

The issue is somewhat complicated by the fact that the terms of the Montreux Conventioin provide for modification of its text only with the agreement of all signatories. The major interest of the U.S.S.R., apart from reported territorial claims on Turkey, is to provide for the unbottling of the Red Navy in the Black Sea.

It is reported that Britain will oppose any granting of territory or bases to the Soviet Union on the part of Turkey, although it is generally agreed that the former has long outstanding territorial claims, particularly in Kars, Ardahan and Armenia, ceded to Turkey after 1917.

Interim Government Awaited In India

PANDIT Jawaharlal Nehru's acceptance of the Viceroy's invitation to form an interim Government for India, and the former's extension of this invitation to Mohammed Ali Jinnah, President of the Moslem League, asking for cooperation of the League, was met with lively interest in London Indian circles. "It is great news," a spokesman of the India League declared. This was generally interpreted as a step toward realization of Indian independence.

The Moslem League reaction, however, was none too favorable, as one of its spokesmen declared that this move was the result of a conspiracy between the British and Congress to crush the Moslems of India.

Should the Moslem League persist in ignoring the present proposals for an interim government, British circles intimated, Congress could appoint Muslim Congress members for

portfolios in spite of the League's non-cooperation.

The Congress Working Committee meeting in Wardha meanwhile decided on a resolution which read: "The Portuguese colony of Goa has always been and must continue to be a part of India." It also appreciated a recent French statement that the "people of French India are free to decide their own future and may, if they choose, join the Indian union."

Observing the Quit-India Day, Pandit Nehu declared: "In another year we will be free."

Long Java War Seen

Even if a settlement were to be reached with the present Indonesian Government, the final "pacification" of the islands would require almost five years, General Spoor, Netherlands Commander in the N.E.I., declared last week. He stated that the Indonesian army was not composed of regular troops but of a number of "irregular units who often fought among themselves."

The United States, meanwhile, issued a denial that it had supplied the Netherlands forces with arms to fight the Indonesians. The US$100,000,000 credit opened to Holland last July was meant to purchase surplus supplies which could be used for civilian purposes only.

The native ruler of Bali island decided to join the proposed Great East State, following a conference of Indonesian representatives at Malino, in the Celebes, with the exception of representatives of Java and Sumatra, the two largest islands of the archipelago.

Austria Causes Rift

The decision of the Austrian Parliament to nationalize the nation's industry, including equipment and enterprises classed as enemy property belonging to Russia as reparations, according to the Moscow version of the Crimean declaration, caused a serious rift between the United States and Great Britain, on the one hand, and the U.S.S.R. on the other. The former favor the Austrian decision.

The Russian authorities in Vienna declared that "in view of the British and American refusal to support the Soviet motion concerning the Austrian nationalization law, they reserve the right to take all the necessary steps to protect Soviet interests in their occupation zone."

Jews Killed In Haifa

During a demonstration held in protest against the British deportation of refugees to the island of Cyprus, four Jews were killed and several more wounded, when British troops clashed with the paraders.

Two troop transports with about 1500 illegal immigrants, penned in barbed-wire cages, left Haifa for Cyprus. The Jews protested and violated the curfew trying to enter the port area.

A seven-hour strike was called in Jerusalem and the National Council of Palestine Jews decided to enforce the first stage of the "non-cooperation policy." Crowds rioted in Jerusalem, Tel Aviv and Haifa in response to broadcasts from the "Voice of Israel," underground Jewish radio.

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What U.S. Papers Say . . .

CHINA continued to occupy an important place in American newspaper editorial comment last week, along with the Congressional reorganization bill recently signed by President Harry Truman, and the peace treaty discussion in Paris following.

* * *

CHINA

American policy of pacification and conciliation, though it has made little headway thus far, should be continued, the *Dallas (Texas) News* said. "We need to take care, however, to avoid the kind of aid that might give military support to one or both sides and thus prolong the conflict we are trying to halt." The *News* declared that a peaceful and rebuilt China could be a potent force in world stability and would be especially valuable to the United States in providing a strong and friendly power on the far side of the Pacific.

The *New York Herald Tribune* said that Americans who were in China saw much to criticize in the Kuomintang, leading them to show sympathy with the Chinese Communists, when they found that the "agrarian reforms of the Reds were beneficial to China's peasants." The *Herald Tribune* saw many reasons for dissatisfaction with the conduct of the Chinese Communists. Their "propaganda campaign" and attacks on Marines "are likely to cause revulsion against the Communists. But, warned the paper, this would be unfortunate, "even disastrous, if this led Americans to regard the reactionaries as allies."

While Americans are reluctant to help build a Communist China they certainly do not intend to foster the construction of a Fascist China. Lack of popular support would make the reactionaries even worse allies than the Communists.

* * *

CONGRESS

No Congress ever made a perfect record, and this one (the 79th) did not, commented the *New York Times*, noting the lack of cooperation between Congress and the Administration. But the record of this Congress, on the whole, both errors and successes taken into account, gives no apprehensions as to the future of the Republic. The basic liberties survived. Progress was made. "At no moment could a good American sign for a rubber-stamp legislature on the pre-war Italian or German model or the pre-war post-war Russian model." The *Times* thought that Congress lost much of its sense of direction when the war ended.

The 79th Congress was not one which suited too well the wishes of the Administration with respect to domestic issues. "But there were very solid achievements," the *New York Herald Tribune* observed.

"Let us remember that this Congress definitely reversed the trend toward isolationism which characterized this country's approach to international affairs between the two world wars," the paper pointed out.

The *St. Louis Post—Dispatch* saw the outstanding achievement of the 79th Congress in the field of international relations. "This Congress ratified the United Nations charter, made this country a participant in the International Bank and Monetary Fund and authorized the British loan of nearly US$4,000,000,000." A few hours before adjournment, the Senate approved the adherence of the United States to the World Court.

* * *

PEACE TREATIES

Except for their reparations provisions, the treaty drafts will strike most Americans as being acceptable enough, the *St. Louis Star-Times* wrote. "They do not change very much, and they are likely to be workable enough, if, eventually, a workable treaty with Germany is signed," the paper declared. Russia emerges as the principal beneficiary of the proposed settlements and some correspondents and commentators may make much of this. However, the areas to be annexed to the Soviet Union are relatively small. In the main, they represent little more than a "correction" of borders long disputed.

The *Chicago Daily News* declared that if a real peace treaty is to be written, it must lay the foundation for the economic rehabilitation of those countries that lost the military victory as well as those that won it. "There is little evidence that this fundamental has been given much consideration," the *Daily News* remarked.

A more ethnic approach to the settlement was urged by the *Washington Post*. A customs union between Austria and Italy would be a service to peace, the *Post* declared. With regard to Trieste, it would be best to endow the proposed international zone with a larger hinterland, so as to afford some degree of breathing space.

The *Cleveland Plain Dealer* wrote: "It should be clear to the Russians, as it is to most Americans, that the nations for which treaties are currently being drafted will be able to provide for themselves and lay foundations for peaceful living only as they can reconstruct their economies and arrange an exchange of goods."

Growing Food Shortage Reported In Japan

GROWING food shortages in the cities and the difficulty of restoring the nation's disorganized economic life were the major problems facing the Japanese Government, according to a report for June issued by SCAP. These food shortages aroused popular dissatisfaction, the report added.

Among other problems confronting the government were the reorganization of local governments, educational reforms, completion of the government purge, unemployment, constitutional reform, government financing and reparations.

Draft Constitution

The report, commenting on the constitution draft submitted to the Diet by the cabinet, said that there was no "strong demand for any fundamental revision of the government's draft, although some favored postponement of the issue to a later session or to a special constituent assembly."

The purge of militaristic and nationalistic elements from public life was intensified in June, the report said. Following the Diet opening on June 20, eight members were notified that they were ineligible to hold public office. A member of the House of Peers who had been active in the suppression of free speech and assembly was barred from public service by SCAP.

Coal Shortage

Apart from these problems and the critical lack of food, there was a serious coal shortage in the reviving industry. The Coal Board estimated that coal production would not meet needs until March 1947, when production is expected to reach 2,450,000 metric tons.

A labor disputes adjustment bill setting up machinery for conciliation, mediation and arbitration, was approved by the cabinet and introduced into the diet. By the end of April, Japan had 7357 unions, totaling 691,552 members or 29 percent of the total regularly employed non-agricultural labor in the country.

Labor Ministry

Wage rates increased; the report declared, but continued to lag behind the cost of living. A separate Labor Ministry has been proposed to handle the growing labor relations and welfare legislation in Japanese life.

Of the total labor force of 29,700,000 about 56 percent were drawn from farm households, and almost 5,600,000 persons were unemployed in June.

* * *

J. B. POWELL, editor and publisher of the *China Weekly Review*, and current witness before the International Military Tribunal in Tokyo, entered a military hospital for additional treatment of his partially amputated feet which resulted from imprisonment by the Japanese in 1941.

U.S. Stockpiles Vital Products

PRESIDENT Harry S. Truman recently signed the Stock Piling Act, intended to guarantee the United States from being caught with her vital materials down. This act will allow the government to pile up huge stocks of more than 60 metals, minerals and fibers that industry must have to keep going.

Since the United States is almost entirely dependent on outside sources for 27 vital minerals and such materials as beryl, mica and tantalite, used in electronic devices for radar and guided missiles, almost US$4,000,000,000 has been set aside to purchase these abroad.

Some of these materials the U.S. apparently had in large quantities, but it transpired that such reserves as antimony would only last for a few years, while Mexico, Bolivia and Peru hold 83 percent of these sources.

Asbestos will be obtained from South Africa, chromium from South Africa, Turkey, Cuba and New Caledonia, diamonds will be brought in from the Belgian Congo, Brazil and Portuguese West Africa, lead from Mexico, Peru, Australia and Canada, tungsten from China and Bolivia, while some supplies of zinc, nickel, tantalum and tin also have to be bought in foreign countries.

Control over the stock-piling job will be in the hands of an Army-Navy Munitions Board which can bring materials into America duty free. Congress must be notified of any sales from these stocks. The real meaning of this act is the policy of self-sufficiency, the result of costly experiences in the early days of World War II, when the lack of certain materials threatened national defense.

U.S. Trusts Redefined

THE recent so-called Big Three tobacco anti-trust suit, in which the Supreme Court, by a 6-0 decision, indirectly affirmed that American Tobacco, Liggett & Myers, and R. J. Reynolds were guilty on monopoly conspiracy counts and subject to fines aggregating US$255,000, served to redefine the conception of trusts and monopoly.

In this ruling the Supreme Court held that under certain circumstances a defendant may be guilty of both "conspiracy in restraint of trade" and "conspiracy to monopolize" and also be guilty of transgression against the Sherman (Anti-trust) Act, even though the accused had not run his competition out of business.

Heretofore, the most common defense against monopoly charges has been proof that competition had not been liquidated or hindered. Thus, the recent ruling of the highest American court has given a new interpretation to trusts and monopolies.

What Chinese Papers Say . . .

THE ninth anniversary of the Japanese attack on Shanghai was the subject of many editorial comments during the week.

AUGUST 13

August 13 nine years ago was the turning point in China's long and humiliating history, writes the *Yih Shih Pao*. It was the prelude to the second World War. After the horrible experiences of the war there is none in the world who does not hope for a permanent peace. But reality in China today defies one's imagination along such lines, while the civil war spreads on unabated. In observing the August 13 anniversary it is also the duty of the whole nation to stop the fighting, and make it the turning point for a new chapter of our history.

The *Sheng Chou Jih Pao* declared that the war against Japan showed the selfless sacrifices made by the nation and the people's love of their country. The liberal Ta Kung Pao pointed out that "we are observing the first post-war anniversary of the Battle of Shanghai with mixed feelings. We do not believe that we are such a mean and apathetic nation, and we hope that all the patriotic spirit, the fear that the nation may be exterminated, and the general consciousness manifested by the people at that time will be set afire again in the hearts of all our countrymen. It is time again for all parties to work together arm-in-arm towards the same goal of reconstruction and salvation, otherwise a much more disastrous and painful destiny will descend upon us than the one that confronted the nation nine years ago."

The *Chung Yang Jih Pao* expressed the same pessimistic outlook by saying that "one year has elapsed since Japan surrendered and during this year Japan has made big and lengthy strides, especially along economic lines. While China is suffering from the effects of an unbalanced budget the Japanese have registered a surplus of exports over imports. If things are permitted to continue as they are, it will be impossible to rid Japan of the roots of militarism, and the future security of the Far East will be greatly endangered. We wish to remind our people as well as our peace delegates to pay close attention to this fact when the Far Eastern Peace Conference is convened."

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JOINT STATEMENT

Already faced with an unprecedented crisis, the nation was rocked to its creaky foundations when the joint Marshall-Stuart statement was made. The statement undoubtedly puts immense additional pressure upon both the Kuomintang and the Communist parties. In our opinion, declared the *Wen Hui Pao*, the effective ways to solve the present critical situation are: 1) Order immediate unconditional cessation of hostilities on all fronts of action; 2) The disputed question of local government could be by-passed if a coalition local government for any disputed area can be formed to take its place; and 3) Gen. Marshall cannot and must not become pessimistic."

The *Shun Pao* declared that the joint Marshall-Stuart statement signified that the current situation is critical, but it is not necessarily hopeless. It all depends upon what the people do in the future. If the Lushan Conference of 1937 was considered the conference that shaped the policies for carrying out the war against Japan, then the Lushan conference today can be said to be a conference that will shape the policies for the reconstruction of the country."

The *Ta Kung Pao* said that the joint statement was received with mixed feelings of anger and regret. "Recent utterances from the Kuomintang and events are sufficient proof that both the Kuomintang and the Communists are intensifying their preparations to continue fighting, making it impossible to convoke the Political Consultative Council. We still hope the Government and the Communists along with other quarters concerned will exert their last efforts to settle the dispute by political means."

The *Chung Hwa Shih Pao* said that this is time for the political parties to place the interests of the people before the interests of their party. All parties must abandon their selfish motives and designs, so that some kind of settlement can be reached.

Under the caption, "The Tragedy of General Marshall's Failure," the *Wen Hui Pao* wrote: "Gen. Marshall's work will probably come to an end and it is possible that he will cheerlessly return to the United States, but this does not mean that the US will wash her hands of the Chinese problem, nor does it mean that the US forces in China will be withdrawn and that the so-called aid to China will be completely stopped. However, having learned a lesson from this tragic failure, U.S. public opinion will be greatly roused, so that President Truman will have to carefully reconsider his attitude toward China.

"With the failure of the United States' efforts at mediation, the responsibility of the Chinese people has increased. The Chinese people themselves now should rise and stop the civil war, so as to save the country."

* * *

CHIANG'S STATEMENT

Commenting on Generalissimo Chiang's statement on August 13 the *Sin Wen Pao* declared that the Government's attitude towards the Communists is an open and candid one. Even at this last moment, the Government is waiting for the Communists to change their minds. The entire nation is waiting for the realization of real peace and unity.

EVENTS IN BRIEF

The Chinese Air Force will be supplied with the well-known Boeing PT-17 type trainer plane which is credited with having served as preliminary trainer for thousands of American fliers. A license agreement granting China the right to manufacture the plane has been signed in Washington between representatives of the company and China.

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Final arrangements for the US$40,000,000 credit to Poland will be completed following an announcement by the State Department that Poland had given assurances that the texts of Poland's economic agreements would be furnished to the United States.

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A secret Japanese organization "Shindo Remmei," disseminating political propaganda among the 30,000 Japanese colonists in Peru, was recently uncovered by the Peruvian police. Thirty-five members of this organization were taken into custody.

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Food officials of Versailles, Rambouillet and Perray, towns in the neighborhood of Paris, were arrested in connection with black market activities estimated to have involved a loss to the French Government of nearly 1,000,000 francs. The accused are said to have diverted into the black market large quantities of bread, meat paste, fats, jam, sugar, coffee, chocolate and wine.

* * *

A new French political organization, the "Union Gaulliste," claiming to stand for the principles of General Charles De Gaulle, announced its formation under the directorship of Henri Copitant, former French Minister of Education. The Union claims to be above parties and wants a constitution based on the principles outlined by De Gaulle at Bayeux and Paris.

* * *

More than 5,000,000 persons in London and its environs on the north side of the River Thames had their gas supply cut by one-fifth when 2000 gas maintenance engineers at the Beckton gas works went on strike. The strikers demanded an extra five pence an hour.

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One hundred unemployed Chinese sailors who occupied the Chinese Embassy at The Hague for a week in protest against their Ambassador's refusal to pay them dole, were arrested after a battle with the Dutch police. The sailors wrecked the Embassy furniture and seriously injured the Secretary.

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The Export-Import Bank announced the granting of a US$10,000,000 credit to Saudi Arabia for the purchase of essential supplies and rehabilitation equipment in the United States. The credit terms provide that repayment be secured against oil royalties accruing from the Arabian-American Oil Company.

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Two hundred and fifty delegates are attending a convention in New York, representing people of African blood and descent, which meets under the slogan of "Africa for the Africans—At Home and Abroad." The convention intends to petition the United Nations for support of its program.

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Culprits involved in the assassination of Professor Wen I-to, of the National Southwest Associated University, will soon be tried by a military tribunal jointly organized by the Military Court of the Chinese Army Headquarters, the Yunnan Pacification Headquarters and the 13th Regiment of the Gendarmery, stationed in Kunming.

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Korean members of an organized espionage ring, reported operating from the Russian zone, have been discovered in Seoul, UP cabled from that city. One of the purposes of this organization is to spread rumors of impending war between the United states and the Soviet Union.

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Relief shipments of UNRRA supplies will continue beyond the termination of UNRRA operations, it was revealed recently. Virtually all of the US$3,500,000,000 available to UNRRA will have been spent by the end of 1946.

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The United States Army denied rumors that Army personnel will be restricted within a 10-mile radius from the Chinese capital because of the "Communist menace," United Press reported from Nanking. The Army said there was no restriction on train rides between Shanghai and Nanking.

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More than 185,000 men will be called into the American armed services before the selective law expires next March. Voluntary recruitments have fallen far short of requirements, with a deficit of approximately 200,000 below the desired strength of the army.

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A vast expansion of American shipping in the Pacific is envisaged to replace the Japanese shipping service before the war. The Lykes Brothers Steamship Company expects to extend its present service to include the Netherlands East Indies and Malaya.

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A general strike by all non-Europeans may be called in South Africa, Reuter's reported from Johannesburg. It is estimated that at least 70,000 are waiting to go on strike for a basic wage of US$2 daily. Native miners get only US$0.45 per day.

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Forty Government transport planes loaded with Nationalist reinforcements left Peiping for Communist-beseiged Tatung in North Shansi, Reuter's reported from Nanking. While the city is encircled very closely, planes are still able to land.

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The Brazilian Government asked Allied officials in Tokyo to send some kind of mission to Brazil to convince ultra-nationalistic Japanese groups there that Japan really lost the war. Japanese in Lima, Peru, claimed they received broadcasts from Japan, asserting Japan had not lost the war.

Student Enrolment Rises In Kalgan

MORE than 26,000 students are now reported to be studying in the 134 high schools, universities and vocational schools in the so-called Shansi-Chahar-Hopei Border Region, with Kalgan as the capital, according to the New China News Agency. Many of the students come from the Kuomintang controlled territories and from the cities of Peiping, Shanghai and Tientsin.

During the eight years of Sino-Japanese hostilities more than 20 schools trained over 46,000 administrative and other workers who played a great role in strengthening anti-Japanese resistance at this war base.

Emphasis today is laid mainly on reconstruction work. Apart from the well-known North China United University and the Bethune Medical College, which date back to the early war years, a large number of engineering, agricultural, commercial and railway management schools have been established. Two colleges have been established especially for Inner Mongolia. Poor students receive free tuition and board.

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U.S. Expects Record Food, Feed Crops

THE United States is expecting record crops of a large number of food and feed grains, including corn, wheat, peaches, plums, oats, rice, peanuts, potatoes, pears, grapes, cherries and sugar cane, the Agriculture Department announced recently. Only a small number of cereals and staples, including cotton and rye, are expected to yield less than average harvests.

The corn crop this year is estimated at about 3,497,000,000 bushels as compared with the 1944 record of 3,230,000,000. The wheat crop is expected to yield 37,000,000 more bushels than the record 1945 crop, which brought 1,160,000,000 bushels.

Ideal growing and harvesting conditions prevailing throughout July were the reasons for this record yield in the majority of grains and cereals.

If all expectations materialize, the present crop would be 27 percent above the 1923-33 average crop and six percent higher than last year's crop.

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Who's Who in China

GEN. FENG YU-HSIANG, known as the "Christian General," special envoy to study hydraulic constructions in U.S.A.: born at Tsow Ko village, near Tsaohsien, Anhwei, September 26, 1882; attended the Peiyang Military School at Tientsin at

General Feng Yu-hsiang

馮玉祥字煥章

age of 16, but left in 1898 before graduation; began his long military career as a soldier in Paoting Training Corps and later became instructor in Hwai Army; joined Wu-wei Army, 1902; was promoted lance-corporal, then corporal; served as sergeant-major, platoon commander, company commander and battalion commander, 1904-10; recommended by his superiors to study at the Paoting Military Academy, from which he was graduated; commander of the 3rd regiment of the Imperial Army and later of provost guard regiment of the Metropolis, 1910; at the time of the revolution of 1911, he rebelled against the Manchu Government at Lwanchow and was arrested at Haiyangcheng and sent back to Paoting; commander of Front Battalion of 1st Regiment, 1912-13; commander of 16th mixed brigade; joined with Tsai Sung-po at Sufu, Szechuen in an effort to overthrow the Yuan Shih-kai regime, 1915; became acquainted with Wu Pei-fu in Hunan when the latter commanded the 6th brigade of the 3rd Division, 1917; played important role with Wu Pei-fu in Chihli-Anfu War, 1920, which resulted in overthrow of the Anfu Party; at Wu's suggestion his troops were reorganized into the 11th Division of the National Army and he was appointed concurrently director of Military Affairs of Shensi; later acting Military Governor of Shensi, still commanding the 11th Division, 1921; took prominent part in the Chihli-Fengtien War, commanding the rear defense forces and was mainly responsible for defeat of the Fengtien faction; Military Governor of Honan, 1922; Inspector-General of the National Army with headquarters at Peking, 1922; made a full- general, 1923; Director-General for the Defense of the Northwestern Provinces, 1923; created a marshal, 1923; broke with Wu Pei-fu in the 2nd Chihli-Fengtien War in 1924, made the then President Tsao Kun prisoner at Peking and expelled the then "Boy Emperor" Pu Yi from the Palace, 1924; with Chang Tso-lin he made Tuan Chi-jui Provisional Chief Executive functioning as President of China, 1924; appointed Defense Commissioner of the Northwestern Territory, 1924; defeated by the Fengtien troops at Nankow, 1926, and was forced to take refuge in Russia, where he stayed for one year; returned to China in 1927; joined hands with the Nationalist Revolutionary Forces in 1927 and assisted in the defeat of the Northern Armies; appointed member of the State Council of the National Government and vice-President of the Executive Yuan and concurrently Minister of War, 1928-29; elected member of the Central Executive Committee of Kuomintang and member of the Central Political Council, 1929; was relieved of all his political and military appointments by the National Government for revolting against Nanking, 1929; took leading part in formation of the Northern Military Coalition in Peiping in opposition to Nanking Government, 1930; after the collapse of the coalition, he retired to Shensi and stayed there for about a year; after the Mukden Incident of Sept. 18, 1931, he urged peace between Nanking and Canton and came to Shanghai for a short time; was reinstated as a member of Central Executive Committee and of the State Council, December 1931; retired to Mount Tai, Shantung, 1932; left there for Kalgan, Chahar, in autumn of 1932; advocated armed resistance against Japanese aggression and was proclaimed "Commander-in-chief of the People's Allied Anti-Japanese Army" in Chahar with headquarters at Kalgan; after collapse of the movement there, he again retired to Taishan; attended the 5th Kuomintang National Congress at Nanking, November 1935, and was elected member of the Central Executive Committee; elected vice-chairman of the National Military Council; commissioned as commander-in-chief of the 3rd War Area for Soochow-Shanghai Front; transferred to command the 6th War Area; inspected defense works in Western Honan, Hunan, Kweichow and Szechuen provinces, 1938; supervised and trained of 36th and other armies, 1939; member of National Defense Council, Chungking, 1943-44; raised national salvation contribution funds; member of State Council of National Government, National Military Council and member of Kuomintang Presidium, Central Executive Committee; married in 1907 to Miss Liu Feng, who died in 1923; married Miss Li Te-chuan, former secretary of the Peking Y.W.C.A. January 15, 1924; father of 10 children, having had two sons and three daughters by each marriage; author of "My Autobiography," which recently was adopted as a textbook by Far Eastern department of Washington State University; besides has written several volumes of poems known as "the poems of a soldier;" he is now visiting General Chiang Kai-shek at Kuling, Kiangsi and is scheduled to leave soon for an inspection tour of hydraulic works in the U.S.A.

PEOPLE IN THE NEWS

MAJOR GEN. KELLER E. ROCKEY, Commanding General, Marine Forces, China, denied Communist allegations that Chinese Nationalist Army troops had participated in the recent Anping Incident on the Tientsin-Peiping Highway. "There was only one Chinese CNRRA truck with supplies and a Chinese driver," Rockey declared.

* * *

HENRY PU YI, puppet emperor of Manchukuo and last ruler of the last Chinese dynasty, arrived at a Tokyo airfield to testify at the international war crimes trials conducted against 27 defendants. Pu Yi had been in the custody of Soviet authorities since the Japanese capitulation.

PRESIDENT JOSE MARIA VELASCO of Ecuador, resigned last week following an attempt by a group of armed civilians to overthrow his government. The attempt was frustrated and the leaders arrested. The assembly is planning to arrange for a popular presidential election after election laws have been worked out.

* * *

WU TING-CHANG, Secretary-General of the National Government, told newsmen in Kuling last week that he had no knowledge of any intention to reorganize the government in the near future. He discounted predictions that civil war would prove disastrous to Government economy.

* * *

BRIG. GEN. WILLIAM T. CLEMENT, Commander of U.S. Marines in Tsingtao, is reported to have told Central News last week, that "part of the Marines will soon be returning to the United States." The rest would either continue duties at Tsingtao or be transferred to North China.

* * *

EDWARD R. STETTINIUS Jr., former Secretary of State and first U.S. delegate to the United Nations, was unaminously named rector of the University of Virginia. This post was first held by Thomas Jefferson, founder of the university and third President of the United States. Stettinius attended the University 25 years ago.

* * *

DAVID LILIENTHAL, chairman of the Tennessee Valley Authority, in a nationwide radio broadcast outlined steps for international control of atomic energy as a basis for the eventual outlawing of war. He was chairman of the State Department committee on atomic energy which drew up the proposal for atomic control presented to the UN Atomic Energy Commission by Bernard Baruch.

* * *

HERBERT MORRISON, Lord President of the Council in the British Labor Government, was rumored to be planning to fly to India to assist the Viceroy in negotiations for the setting up of an interim government, according to a Reuter report from London.

* * *

DR. C. N. LI, Chinese delegate to the UNRRA Council convening in Geneva, complained that difficulties in China had not been fully appreciated by some of the UNRRA staff here. Many of them, Li declared, were stationed in Shanghai and had only cursory opportunities of understanding some of the unfamiliar conditions prevailing in the country.

* * *

AMBASSADOR J. LEIGHTON STUART, at a service sponsored by the Nanking Young Men's Christian Association to celebrate the first anniversary of the end of the war, speaking fluent Chinese, advocated the formation of a world state in order to eliminate war and relieve human suffering.

* * *

BISHOP PAUL YU-PIN, arrived in Mukden to distribute CNC$220,000,000 as aid for various provinces and municipalities in the Northeast, on behalf of Madame Chiang Kai-shek, sponsorer of a recent successful fund raising campaign.

* * *

DR. BA MAW, head of the Burmese Government during the Japanese occupation, arrived in Rangoon from Tokyo and declared that the situation in Burma has not quite settled down. "It seems to me," he declared, "that there is considerable political restlessness and distrust."

Marshall-Stuart Statement Sends Gold, Commodity Prices Up

FOLLOWING many weeks of quiet, Shanghai's speculative market became active again this week because of the joint statement issued by General Marshall and Ambassador Stuart, which was interpreted by many as admitting the failure of their mission of mediation. Meanwhile civil war continued on a large scale, causing serious apprehension among the general public.

Gold bars opened on August 12 at $1,970,000 and rose immediately to $2,000,000 per 10 ounce bar. When the Central Bank of China started to sell at $1,980,000 the black market price receded slightly but by the noon closing it stood at $2,020,000. The undertone was very firm during the day. However, as predicted in many well-informed circles, the Central Bank of China is in a position to stabilize the gold bar market and quotations dropped a little the next day, August 13, when gold prices fluctuated around $1,980,000.

U.S. Dollar At $2600

With gold quotations up, the American bank note rate firmed slightly to $2640 on August 12 but stood around $2600 the next day.

During the week ending August 10, the gold bar and the American bank note markets were very quiet with practically no fluctuation. The Central Bank sold altogether only 480 gold bars calling in $1,000,000,000 at the following prices:

August 5	112 bars at	$1,917,500
6	83 bars at	$1,935,000
7	53 bars at	$1,920,000
8	100 bars at	$1,915,000
9	80 bars at	$1,917,500
10	53 bars at	$1,917,500

Idle Capital Pouring In

Well-informed circles state that large sums of idle capital have been remitted from Chungking to Shanghai during the past few weeks because of the lack of any outlet. This outflow of capital caused the banks in Chungking to charge a premium of $28 for every $1000 remitted to Shanghai. With this large capital, the money market in Shanghai became all the quieter with the black market interest rate dropping to 10 percent per month.

Despite repeated reports to the effect that many businessmen are moving their interests south to Hongkong because of instability here and in other cities, it is reliably reported that very few foreign and Chinese firms have made this move. As a matter of fact, idle Chinese capital has been sent here more and more from Chungking, Peiping, Hankow, Changsha and Tientsin. As a result, savings deposits in Chinese commercial banks in Shanghai have increased to $110,000,000,000, representing 48 percent of the total savings deposits in banks throughout the country.

Bank Deposits Analyzed

Although the deposits are very impressive in figures because of the depreciation of the dollar, the actual deposits in the banks are far less when compared with the pre-war year so far as the purchasing power of the dollar is concerned. Suppose the commodity prices increased 5000 times and that the purchasing power of the dollar depreciated in the same 5000 to one ratio, the total deposits in Chinese banks in Shanghai and Nanking, including the four government banks, by the end of June 1946 would be $230,000,000 as against the total of $3,779,417,705 of 1937! This shows that the total deposits in June of this year represented only six percent of that of 1937.

Although inflation continued because of the heavy deficit of the government, well-informed circles declared that in the month of July, the general situation improved and that the government did not increase the note issue as large sums obtained from the sale of enemy property were sufficient to meet the deficit. It was also due to this that the authorities decided to increase the salaries of government officials in July.

Rice Prices Drop

The good harvests reported in various provinces will greatly help to improve the economic situation in general, if civil war does not spread too much. Rice in Shanghai is now quoted at $58,000 per picul while the Szechuen price is as low as $9,000.

The Shanghai rice merchants this week asked the authorities to increase the officially fixed price to $60,000 per picul, but this was rejected by the authorities, who declared that the price of rice should not be increased and that the government has plenty of rice in hand to sell at less than $60,000 per picul. Under this situation, it is not expected that prices of commodities will increase much, although continued civil war always proves detrimental to economic conditions.

Commodities, including cotton yarn, silk and others, fluctuated within a very narrow margin during the week ending August 10. As a matter of fact, little business was done. However, as with gold bars, the prices for yarn and silk increased this week. The general increase, though bad, will not aggravate the present situation if military operations are not extended in scope.

Delegation Sent To Nanking

That economic conditions in general are bad can be seen from the fact that 47 representatives of the Shanghai Chamber of Commerce and the Chinese Industrial Association left for Nanking on August 9 to present a petition to the government. The delegates are seeking loans to factories, merchants and to farmers as well as revision of the tariff so as to restrict the importation of foreign goods and to encourage the export of Chinese native products.

In Nanking, these representatives have had a number of conferences with high officials of the Ministries of Finance and of Economic Affairs and the government officials reportedly have promised to examine their proposals and take definite measures to improve the situation in general.

Commodity Price

The quotations of some of the leading commodities for the week ending August 10 are given below:

	Aug. 3	Aug. 10
Gold bars	$1,890,000	$1,925,000
US dollar notes	2,505	2,525
Bond C	720	670
Wing On Textile	685	695
Ewo Cotton	8,700	8,100
Rice	59,000	58,000
Wheat flour ..	12,600	11,500
Peanut oil	80,000	83,000
20's yarn	1,395,000	1,350,000
Raw silk	2,300,000	2,500,000
Artificial silk .	1,460,000	1,630,000
Ruby Queen cigarettes ..	12,400	12,500
Koo Ban soap .	48,500	44,500
My Dear matches	710,000	710,000

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Rayon Infringes On Traditional Cotton

WITH rayon output increasing at a tremendous rate—350 percent in 11 years—this relatively new industry is out to conquer the traditional field occupied for so long by cotton. Rugs, carpets, men's suits, shirts and underwear, formerly manufactured out of cotton, are now being made of rayon. The tougher rayon fiber is edging its way into a vast field of industrial uses while the finer fiber is already evident in the women's dress market.

Almost non-existent 25 years ago, rayon launched its onslaught on silk and conquered it to the extent that the latter is today used mainly in hoisery. The appearance of nylon just about finished silk shortly before the beginning of the Pacific war.

Cotton And Wool

The next staples to stand in rayon's way are cotton and wool and the prospects are that wool will be the chief mourner. Under the soaring rayon production, American silk imports, reaching 80,000,000 pounds in 1931, fell to 54,000,000 pounds by the 1938-39 season. Only 30 percent of silk imports went into hosiery in the twenties, while almost 75 percent went into stockings by 1940. The fact that rayon has replaced silk in this field to some extent, reflects the scale of rayon's victory.

Rayon output in 1930 stood at 127,000,000 pounds and jumped to 573,000,000 pounds by 1941. A spurt of 40 percent raised the output to 792,000,000 pounds in 1945.

Rayon production is expected to reach 850,000,000 pounds in the current year.

Today, rayon is being produced at a rate which is twice as great as the pre-war U.S. consumption of wool, a basic textile material for many centuries. The yearly rayon output of 850,000,000 pounds is equal in weight to 1,700,000 bales of cotton, about one-fourth as much as was consumed in America during the 1938-39 season.

A tremendous expansion is planned in the production of this extra-durable fiber. Millions of dollars are being invested by corporations to extend plant capacities, chemical installations and general facilities.

Two Types

Rayon is produced in two basic types—one comparable to silk which comes in long, continuous filaments, and the other short, comparable to the cotton and wool staples. Long-staple rayon was the first type produced and the short-staple is the type which now appears to have the greatest future. Rayon first infringed on the cotton tire cord field during the war and has gradually displaced it. Because it stands up better under heat than cotton, it is due to remain in this field in peace-time.

This is only a small field for rayon. The large markets of men's clothing both suits and shirts, rugs and carpets are now being invaded by the new product. Price considerations favor rayon when compared to wool in the latter categories.

At present a large rayon carpet and rug industry is being developed. The first major sales of rayon rugs recently, made in patterns and colors to resemble fine Persian rugs, topped US$2,000,000 in New York.

Wear And Tear

Rayon rugs can be trampled on for years and will hardly show signs of wear or tear. The only advantage wool has in this line, still to be developed in rayon laboratories, is its resilience, or snap-back quality.

A suit made of rayon creases more easily and does not hold its shape as well as a woolen suit, but this problem is likewise being tackled in the laboratories.

A rayon shirt or a pair of pajamas costs from US$6.00 to US$15.00, almost as high as the cotton product, but prices are expected to go down with higher volume.

BUSINESS FOOT-NOTES

A bill authorizing a US$75,000,000 loan to the Philippines was signed by President Harry S. Truman last week. The credit goes to the new republic through the Reconstruction Finance Corporation and will enable it to meet current expenses. It was proposed by Representative C. Jasper Bell (Dem. Mo.) after he attended the independence ceremonies in Manila.

* * *

Canada has committed herself to an outlay of Canadian $2,000,000,000 on export credits with $1,250,000,000 going to the United Kingdom and the rest to various countries in Europe and the Far East. Canadian imports during the first five months of 1946 amounted to $722,-200,000.

* * *

American exports for 1946 are expected to reach the US$10,500,000,000 mark, according to Commerce Secretary Henry Wallace. He estimated American imports at slightly over US$5,000,000,000 for the current year.

* * *

Increasing transportation of Army and Government provisions has hampered the repatriation movement centering around Wuhan, the *Ta Kung Pao* reported. No repatriation ships sailed in the past three weeks. The suspension of the through train service along the Pinghan and Canton-Hankow railways was also caused by "busy army transportation," the paper said.

* * *

China's trade balance with Britain is extremely unfavorable, the *Chung Yang Jih Pao* reported last week. Between January and May of this year, China exported to Britain £69,000 worth of raw silk, £63,000 worth of raw materials and other goods totaling £146,000. Imports from Britain, mainly chemicals, woolen goods and machinery totaled £1,402,000, Exports, therefore, amounted to only one-tenth of imports.

* * *

The report that postal charges will be increased is erroneous, according to Dr. T. V. Soong, as reported by the *Sin Wan Pao*. The paper said that government enterprises will not be allowed to increase their charges or fees at present and this applies to the Post Office.

* * *

Only a scant 200,000 piculs of rice can be shipped from Szechuen province down the Yangtze River every month owing to lack of transportation facilities, Shen Kuo-ching, Director of Rice Storage and Tranportation Department of the Food Ministry declared. Large stocks of rice are being stored in Szechuen and Kiangsi provinces as a result of this.

* * *

Two new shipping lines—one between Hankow and Changsha, and another between Kiukiang and Nanchang—will be opened by the Min Sen Industrial Company. With the inauguration of these lines the coal and antimony produced in Hunan and Kiangsi can be shipped to Shanghai via Hankow.

* * *

The Japanese Cotton Spinners Association in China is planning to organize a new company for cotton spinning, amalgamating the resources of the Shanghai Spinning Company, the Tunghsing Cotton Spinning Company, the Tientsin Cotton Spinning and the Taishan Cotton Spinning Company, Central News Agency reported from Tokyo. The new company will operate 35,000 spindles.

* * *

Japanese manufacturers have received 18,808 bales of United States raw cotton from the Commodity Credit Corporation for domestic consumption. Five shiploads are reported en route to Japan with a part of the 325,000 bales to be imported from the U.S. by the end of August.

* * *

The second shipment of 7766 bales of Japanese silk arrived on the New York market recently and bidders and prices will be made public soon, the Reconstruction Finance Corporation announced. The sale of this silk is being handled by the United States Commercial Co., an RFC subsidiary.

* * *

Of the estimated 117,566,920 piculs of rice to be collected from the various provinces in the form of land tax, 71,352,600 piculs will go to provincial governments and 46,214,320 to the Central Government, the *Shang Pao* reported. Only Shantung and Sinkiang are exempted from this collection because of "serious political situations," the paper declared.

* * *

Representatives of Chinese industry have suggested that the Government set aside CNC$200,000,000,000 as an emergency loan to alleviate the present industrial crisis. Previously, the four Government banks have issued loans to the tea industry amounting to CNC$10,-000,000,000, and CNC$30,000,000,000 to flour and wheat circles.

* * *

The Oriental Rug Institute, Inc., New York City, has been recently chartered as membership, non-profit corporation without capital, with the object of "inspiring, fostering and encouraging higher ideals and ethics in the oriental rug industry and to promote a fuller recognition and understanding of its needs...."

* * *

A contract has been signed between the National Resources Commission and the Westinghouse International, the largest electric appliance concern in the United States, for the construction of electrical apparatus and plants, totaling US$35,-000,000, in this country.

* * *

The China Silk Company has bought a large number of mulberry trees in Japan and intends to plant more than 300,-000,000 trees in Kiangsu and Chekiang provinces. The production of mulberry trees is expected to heach the pre-war level in three years time.

NEW BOOKS OF INTEREST

Modern Script

"CHINESE-ENGLISH-FRENCH DICTIONARY, *Featuring a Modern Practical Chinese Script.* 中英法綜合辭典" *by Luc Kynh* 盧謹, *Shanghai, Imprimerie de Tou-sé-wé, 1945, XXII & 702 pp.—Reviewed by H. Pattyn.*

The present work has already been alluded to in the issue of July 6 of the *China Weekly Review.* In an article entitled "Chinese Characters vs. Romanization," Dr. Erwin Reifler, Professor of Sinology at the Aurora University, points out the many advantages which the adoption of an alphabetical script would probably bring to China. This new system of script, of course, should be very judiciously chosen if it is to be a real help—not a hindrance—to thought, to education, and to the unification of the pronunciation among the educated classes. In this respect, Dr. Reifler does not only indicate what characteristics should possess a system of alphabetization of the Chinese language in order to answer fully the present need for such a "democratic" conveyance of thought. He also announces to us that such an elaborate and satisfactory system does actually exist by which he means the so-called "Interdialectic Romanization" worked out by E. Jasmin and H. Lamasse about 15 years ago. And in this connection, he remarks that Fr. Rutten has recently published a dictionary "based" on this "historic," "etymological" and "miraculous" system of romanization,—"a masterpiece of the human mind."

Anyone who has read Dr. Reifler's article as well as another one written by Fr. A. Gaultier in a recent issue of the "Bulletin de l'Université l'Aurore" already understands the basic principles on which the Interdialectic Romanization is founded. Little more need be said here on the subject. It is useful to note, however, that, as a result of the scientific character of this particular romanization, the use of it cannot be fully mastered in a few days. As the French proverb goes, "On n'a rien sans peine." That is why the interest and the value of this new romanization cannot be judged by merely opening at random Fr. Rutten's Dictionary and trying to read the words there romanized. One must first of all become acquainted with the conventional value assigned to each letter and each group of letters in this particular system of spelling; one must learn to read as a child does. In order to help us in this respect, Fr. Rutten has summarized in his preface all the essential rules of pronunciation, taking as a standard the official "National Pronunciation."

Fr. Rutten's Dictionary contains a selection of about 25,000 common Chinese words and expressions. These entries are arranged in the alphabetical order of the Interdialectic Romanization, and accompanied by the corresponding Chinese characters and their translation in English and French. Besides, the Dictionary contains several appendices: a list of the most common 5000 characters with their "interdialectic" spelling, an index of about 8000 English words, and another index with a similar number of French words. The list of 5000 Chinese characters will help to find how to "alphabetize" any of them; it will help also to find out very quickly on which page of the dictionary the expressions beginning with that character are dealt with. In the English and French indices, we find next to each word the page number on which that word is translated into Chinese.

As the author himself points out, this Dictionary is only a "selection" of words and sentences. And that is one of the great advantages of this book, as also its main drawback. In Chinese, 25,000 words and expressions are certainly not enough for reading everyday papers and current novels. But at least one knows that most of the words and expressions contained in this selection are worth learning, so much so that it would not be a waste of time to make of this book the object of a systematic study: a good way to call back to one's memory so many words often encountered but soon forgotten, and to train oneself at the same time in the use of the Interdialectic Romanization. For the "R-I," as the French-speaking inventors call their creation, is indeed "a masterpiece of the human mind," and, as such, is well worth learning.

No doubt, with the R-I, a great step forward has been made towards the solution of the objections raised by those who oppose the alphabetization of the Chinese script. And yet, it does not seem unfair to say that the creators of the R-I have not yet brought their invention to such a degree of perfection that it could be used right-away for the education of the Chinese masses. One important deficiency is the inability of the R-I to indicate accurately, in many cases, on which of the four northern tones the southern "fifth-tone" words are to be pronounced in the National Language—a deficiency which, we think, could be easily removed without infringing on the fundamental and inalterable principles on which the whole system is based. Up to now, with an admirable spirit of discipline, all "R-I enthusiasts" have made a point to "stick together" and to bring no change into the construction without the approval of the responsible architects. Let us hope that, before an intensive propaganda is made in favour of the "R-I" system of Chinese script, those who make use of it may have time to become fully conscious of its inadequacies and to solve, in full accord with Fr. E. Jasmin and his main disciple Fr. G. Lambert, the practical problems which still remain unsolved.

Our readers may be glad to hear that they can find an almost exhaustive bibliography in "La Revue Nationale Chinoise" (Shanghai), vol. XL, 131, November 1940, pp. 160-162. No such bibliography, so far as we know, ever appeared in any Chinese, American or English magazine. It is worth noting that several other works are now in preparation in various places, especially under the direction of Fr. G. Lambert (Catholic Mission, Szepingkai, Manchuria), and of the present writer (Maison Chabanel, Peiping).

Atlas

WHOSE PROMISED LANDS? *A political Atlas of the Middle East and India by Samuel Van Valkenburg. Headline Series No. 57. Published by the Foreign Policy Association, Inc., New York,* 1946. US$0.25, 95 *pp. Reviewed by U.S.*

A whole series of booklets and books published by the Foreign Policy Association on the most acute subjects of the day fully documented, supplied with charts and graphs, is especially valuable today when an increasing number of "common men" begin taking interest in political matters.

The latest booklet issued in May-June on the question of the future status of the Middle East countries deserves special mention. The Middle East has been in the headlines too seldom in the past and too often recently for it to be possible to pass judgment on current events in that part of the world without adequate background information. The Headline Series booklet furnishes all that and more. The more comes at the end in the form of a commentary, a sort of deduction made from the mass of factual material concisely and clearly presented by Professor Van Valkenburg.

"The New Era Of Power Politics," is the deduction written by Halford L. Hoskins and it can be said that instead of giving "Americans an insight" into the actual processes in the "Promised Lands," it merely beclouds the reader's understanding with a high-flown expose of power politics. Hoskins utterly ignores the democratic movements in progress in the Middle East countries, limiting his prognoses to whether the promised lands will be the lot of the U.S., Britain or Russia. It has been convincingly demonstrated time and again that those who fail to take into account the desires and struggle for emancipation of all oppressed peoples are liable to err in their assessment of current events. Hoskins, who stresses power politics and discounts the millions of "natives" and their movements, makes just this mistake.

The result of such a climax in the form of "The New Era of Power Politics," which simplifies Middle Eastern events, is that the reader is left with the impression that everything depends on whether England consents to let the United States share the exploitation of oil fields in that area, or whether both will be ousted by Russia.

It must be reiterated, however, that Van Valkenburg's presentation and material are excellent.

Poetess

MISS EMILY *by Jean Gould. Houghton Mifflin Co., Boston,* 1946. *Reviewed in St. Louis Post-Dispatch.*

The 'teen-age girl who reads this book will meet little Emily Dickinson in the college town of Amherst a century ago, enjoy her wit and fun and parties with her friends, go with her to Mount Holyoke Female Seminary, watch her grow more and more studious and finally retire from society to devote herself to writing. The story is well told in this girl's book, handsomely illustrated by Ursula Koering.

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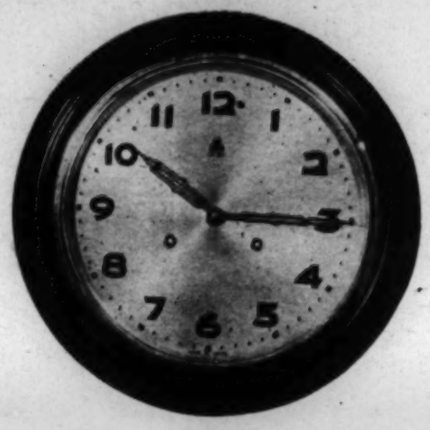

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